COMMERCE AMERICA

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U.S.-Cuba Trade

A Message From The PRESIDENT

Published in this magazine in February—and worth repeating

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FOR THE AMBASSADOR

ALSO FOR USOECD, USEEC

SUBJECT: ASSISTANCE TO U.S. BUSINESS ABROAD
I AM PLEASED TO TRANSMIT THE FOLLOWING LETTER FROM THE PRESIDENT TO YOU:

DEAR MR. AMBASSADOR:

I AM WRITING TO EMPHASIZE THAT THE SUPPORT THAT YOU AND YOUR EMBASSY PROVIDE TO THE U.S. BUSINESS COMMUNITY IN INCREASING EXPORTS IS ONE OF YOUR MOST IMPORTANT MISSIONS. A RECENT MEETING WITH PROMINENT BUSINESS LEADERS CONCERNED WITH OUR EXPORT PERFORMANCE CONVINCED ME THAT ASSISTANCE TO AMERICAN BUSINESS ENGAGED IN LEGITIMATE TRADE AND INVESTMENT ACTIVITIES IS A VITAL ELEMENT OF OUR FOREIGN ECONOMIC POLICY. AS SUCH, IT DESERVES YOUR CONTINUING PERSONAL ATTENTION.

TRADE EXPANSION IS PARTICULARLY IMPORTANT AT THE PRESENT TIME. SALES ABROAD ARE NEEDED TO REDUCE UNEMPLOYMENT AND RESTRAIN PROTECTIONISM AT HOME, AND TO IMPROVE THE NATION'S BALANCE OF PAYMENTS. I ASK THAT YOU, AS MY REPRESENTATIVE, ENSURE THAT A HIGH PRIORITY IS PLACED ON THE TRADE EXPANSION AND OTHER COMMERCIAL PROGRAMS IN OPERATION AT YOUR EMBASSY.

WE ARE PERFORMING WELL IN THIS FIELD, BUT I BELIEVE THAT, WITH YOUR HELP, WE CAN DO EVEN BETTER.

SINCERELY,

JIMMY CARTER

COMMERCE AMERICA

CONTENTS

Vol. III No. 9, April 24, 1978

2

U.S.-Cuba Trade: A Question Mark Summarizes Its Current Status

First Commerce Department official to visit Cuba in 17 years answers some questions, but points out that key questions remain.

6

American Footwear Industry Comeback Includes Export Steps

One element of Commerce Department assistance program for U.S. shoe producers is help in a drive to increase exports.

9 International Commerce Report

President's task force on export policy begins work—Report on foreign investment in United States—Washington Official Trade Briefs—Seminar response shows high U.S. interest in China trading—Reports on Commerce exhibitions in Venezuela and Sweden and an electric power seminar mission in the Far East.

16 Worldwide Business Outlook

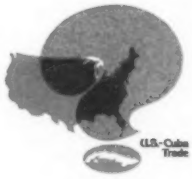
Economic situation articles on the USSR, Nigeria, German Democratic Republic, Indonesia—New international business publications summarized—Calendar for World Traders—Licensing, sales, construction opportunities worldwide—Schedules of buyers visiting U.S. in near future.

19 Domestic Business Report

Ten bulletins in "Commerce Update" column touch on recent Commerce Department activities in the domestic business field.

20 Economic Highlights

Long-term structural shifts have greatly altered regional growth patterns. These trends have reduced some regional imbalances and accentuated others.



COVER: The question mark that links two Western Hemisphere neighbors, the United States and Cuba, provides an apt introduction to an article on U.S.-Cuban trading prospects by Commerce Department specialist Lawrence Theriot beginning on page 2.

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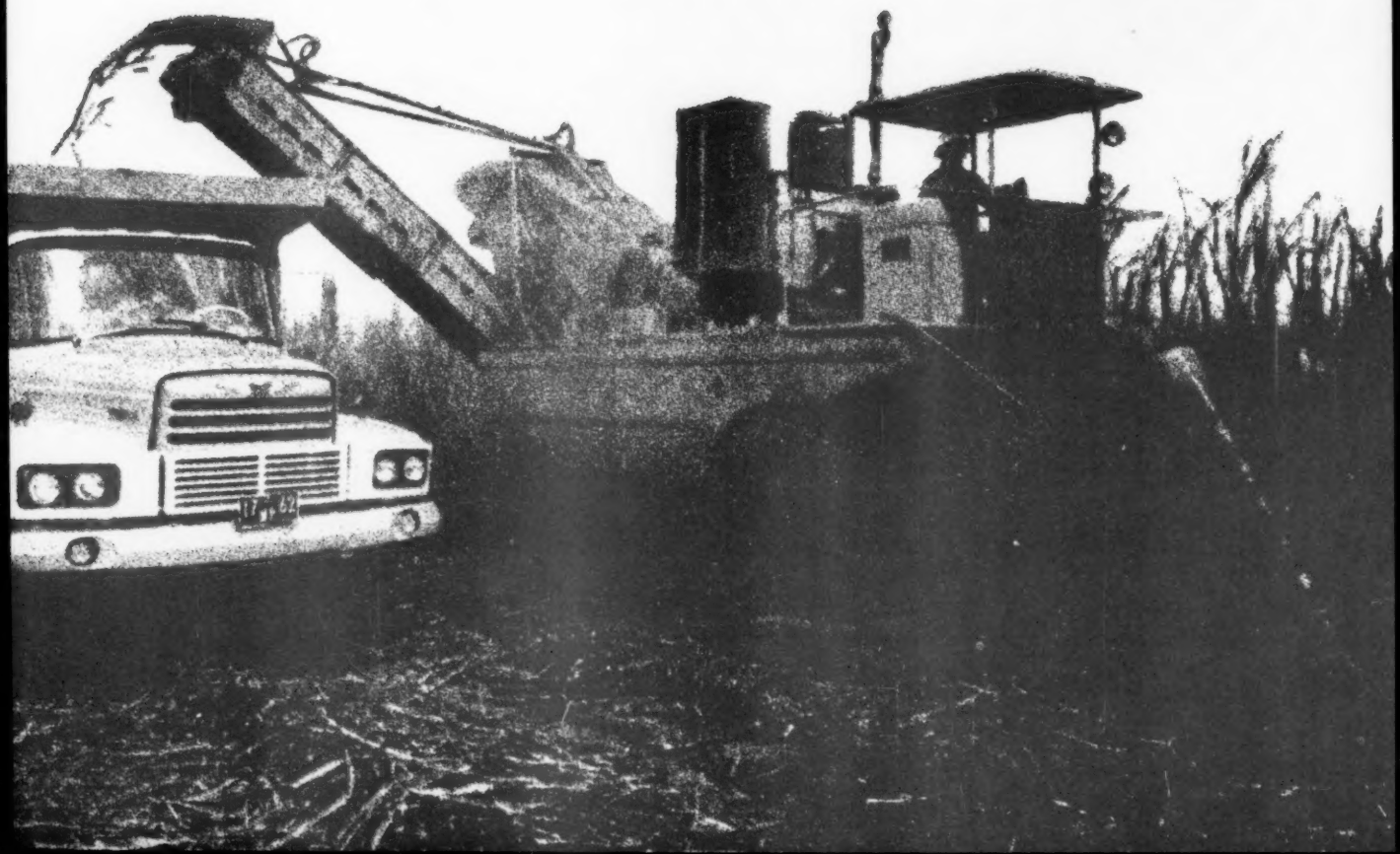
U.S.-cuba trade: question mark

When Lawrence Theriot, the author of the accompanying articles, traveled to Cuba in February he was the first Commerce Department official to visit that country in 17 years. Theriot is a policy analyst for Cuba in Commerce's Industry and Trade Administration. Some of his assessments represent personal views which are not necessarily official Commerce Department positions. A comprehensive report on Cuban trade is now being completed by Theriot. Its availability will be announced in a future issue.

The question consistently asked by American companies is: "Since the United States has active trade relations with the USSR, Eastern Europe and the People's Republic of China, when will trade with Cuba be reopened?" Unfortunately, the answer is that no one knows. Because trade with a centrally planned economy means trading wtih a sovereign government, U.S. commercial relations with these countries are more directly affected by the overall environment of political relations. As a result, non-economic, foreign policy issues often have a direct impact on conduct and levels of trade.

This situation is even more pronounced with Cuba where, for the last 17 years, the United States has maintained a virtually full embargo on trade. A consequence of such a long hiatus is that resuming trade necessarily involves a myriad of complex problems which interrelate economic and foreign policy issues.



Although the United States and Cuba made some small steps towards normalizing relations in 1977, the future remains as uncertain as ever. Convinced that U.S. interests are served best by maintaining communication with all governments, the Carter Administration entered a dialogue with Cuba to resolve questions involving international fishing and maritime boundaries. Two treaties were successfully concluded; additionally, the ban on U.S. citizen travel to Cuba was ended and low-level U.S. and Cuban diplomatic interest sections were opened in Washington and Havana to facilitate communication and consular affairs. These were small but welcomed steps. However, several complex problems remain to be dealt with.

From the U.S. viewpoint, the pace of progress towards normal relations will be determined by several factors, including Cuba's willingness to respond effectively to U.S. concerns in the areas of human rights and compensation for U.S.-owned properties nationalized by the Castro government in 1960. Also extremely important, however, is the fact that the United States and Cuba have basically different, and at times conflicting, philosophies underlying the conduct of our respective foreign policies. Presently this difference is most clearly seen in Africa where the United States opposes Cuba's use of military forces in local disputes. At this point, Cuban restraint in Africa is clearly the key to future progress in U.S. relations with Cuba.

From its point of view, Cuba considers lifting the trade embargo to be the paramount prerequisite for opening negotiations on any other issues. The posing of these unresolved questions inevitably leaves the path to renewed relations uncertain. The American business community should thus view any specific predictions on reopening trade with Cuba with a healthy skepticism.

Of course, the existence of complex problems is not unusual in a rapidly changing world. The recently opened dialogue with Cuba could lead to improved understanding, a resolution of problems and, over a period of time, to a return of normal diplomatic and commercial relations. Some observers claim that our close geographical proximity makes this inevitable. While that may overstate the case it is clear that U.S. trade with Cuba in the foreseeable future is a sufficiently realistic prospect to make long-range planning prudent.

Recent developments

Observations gathered on a short trip to Cuba today inevitably suffer from a lack of perspective unless placed in the context of Cuba's rather turbulent foreign trade performance since 1974.

The one overwhelming fact not lost on any visitor to Cuba is the dominance of sugar. Beginning sugar cane cultivation in the early 19th century, Cuba has today become the world's largest exporter of sugar. This long history has meant the development of a unique infrastructure and expertise that makes Cuba the recognized industry leader worldwide. Growing and processing of sugar cane accounts for fully 20 percent of Cuba's GNP and more than 80 percent of total export earnings. Unfortunately for Cuba, however, the international sugar market has been characterized by wide price fluctuations. The current price is about 8¢ a pound, but prices have ranged from 3¢ in 1968 to 65¢ in 1974.

These precipitous changes have frustrated trade planning and plagued Cuba's ability to trade with capitalist countries. For example, in 1974 boosted by record high sugar prices, Cuba expanded its trade with capitalist countries sharply. Imports doubled to $1 billion, while the hard currency trade deficit was held in check at $130 million. The sugar price bonus had an even more pronounced impact on trade in 1975 when Cuban enterprises expanded imports of capital goods in anticipation of requirements of the first five-year economic plan for 1976-80. Hard currency imports jumped to $1.7 billion and capitalist countries accounted for a record 48 percent of Cuba's total imports, compared to about 30 percent in the early 1970s.

As sugar prices fell, Cuba's trade deficit with capitalist countries ballooned to $650 million in 1975,

Business Trip To Havana—Yes Or No?

Should American companies visit Cuba now? Nearly 400 have, in recent months; these are Theriot's observations on this point:

Since the timetable for resumed U.S.-Cuban trade is at best very uncertain, companies must evaluate the usefulness of an exploration trip now to research trade possibilities which may not be realized for a long time. However, in such uncertainty it is important to bear in mind the centrally planned nature of the Cuban economy. The general guidelines and goals of economic development and trade are already set through 1980 and beyond for some industries.

Cuba's basic development strategy has been to rely on sugar earnings for financing imports and investment to diversify exports. This will not change. Nor will there be a significant change in the basically austere level of consumption that results from a continued heavy concentration of resources on investment. Moreover, annual plan revisions are not likely to alter the basic composition of Cuba's trade with capitalist countries. Consequently, visiting companies should be able to assess whether or not they may eventually be able to do any business in Cuba. Of course, negative assessments are also useful.

Also interesting is the unusual stability that characterizes personnel staffing in the foreign trade ministry. Minister Fernandez is a particularly able, U.S.-educated economist who has been in charge for 14 years. Forty percent of his staff have been with the Ministry for at least 14 years and 70 percent for at least 10 years. Therefore, companies visiting Cuba today are likely to meet the same trade officials who will be the actual buyers in any future trade. In a more immediate sense, it can be useful for American companies to hear first hand of Cuba's position on a number of issues including compensation for expropriated properties.

A final consideration for companies derives from the close similarity of foreign trade planning and operations in Cuba and the Soviet Union. Firms which already have in-house expertise in East-West trade may be well advised to involve these same personnel early on in planning for trade with Cuba.

The American business community should view any specific predictions on reopening trade with Cuba with a healthy skepticism.

How Cuba Handles Trade

As the only communist country in the Western Hemisphere, Cuba today is a centrally planned, state-run economy in which virtually all aspects of economic life are managed by the central government. The only vestige of capitalism is the 30 percent of agricultural land still owned by small private farmers.

The structure and operation of foreign trade closely resembles the classical Soviet model in which a central ministry directs the entire country's importing, exporting and trade logistics. The Ministry operates through 40 trading enterprises, each of which deals in particular product lines. The plans and operational directives for country-wide economic development are formulated by a central planning board, JUCEPLAN, while domestic and international financial control is maintained exclusively by Banco Nacional de Cuba.

The basic orientation of Cuban international trade towards other communist countries was institutionalized in 1972. Then Cuba became a full member of COMECON, the communist country equivalent of a common market integration, composed of the Soviet Union, the six countries of Eastern Europe and, since 1975, Viet Nam. In normal years, Cuba conducts about 70 percent of its two-way trade within the COMECON group.

Under the principle of "international socialist solidarity," Cuba's status as the least developed country in COMECON means important preferences from the more developed member countries, particularly the USSR. The Soviets supply 95 percent of Cuba's oil needs at about half the world price. Cuba also obtains from COMECON sources much of the capital equipment it has used to build up its basic industrial infrastructure. The trade exchange within COMECON is basically a barter system, with goods valued in soft (nonconvertible) currency. COMECON members pay preferred (higher than world market) prices for Cuba's main exports, sugar and nickel.

The other side of Cuba's foreign commerce is the 30 percent of trade turnover conducted with capitalist countries. This trade is transacted through the usual institutions and techniques of international trade, with payment in hard (convertible) currencies. Lacking COMECON preferences, Cuban hard currency trade decisions are based on strict considerations of price, technology and delivery terms.

Although Cuba trades with a large number of capitalist countries, activity is somewhat concentrated. For example, in 1976 its major suppliers were Canada, Spain, Japan and West Germany, who together accounted for 56 percent of Cuba's total imports from capitalist countries.

Cuba's economic situation reached a low point in 1976 . . . by contrast one finds the situation improved in 1978.

but the impact of this massive deficit was ameliorated by a $500 million windfall from unexpected sugar exports to the Soviet Union, as emergency shipments were needed to offset a Soviet domestic harvest failure. (The Soviets usually pay hard currency for sugar shipments above the amounts prearranged in their annual trade protocol with Cuba.)

Anticipating sugar prices would remain reasonably high, Cuba had planned to continue importing a high volume of investment goods from capitalist countries. However, expectations were not fulfilled as prices plummeted further to 8¢ in 1976 and continued at that level or lower throughout 1977. As export earnings for 1976 dropped to $550 million (about half the 1975 level) Cuba cut back imports from the West to $1.3 billion. However, even with another windfall of $200 million of "above plan" Soviet imports of sugar, Cuba's 1976 hard currency deficit was a whopping $560 million.

The steep fall in hard currency earnings from sugar forced a sharp retrenchment on Cuba. In September 1976 President Fidel Castro announced an austerity plan which further tightened the rationing of consumables and caused delay of planned investment projects. Delivery dates for about $350 million of imports from capitalist countries were postponed, some for up to a year or more, contracts were renegotiated and some major development projects were postponed until after 1980.

Hard currency imports probably fell further in 1977 to less than $1 billion, due to continued low earnings from sugar and the need to service hard currency debts, estimated at about $1.3 billion at year end 1976. The cutback is, of course, much sharper in real terms. The physical quantity of imports has probably fallen by about 60 percent since 1974.

The outlook for trade

Overall it seems accurate to describe Cuba's economic situation as having reached a low point during 1976 and the first half of 1977. By contrast, one finds the situation improved in early 1978. Cuban trade officials appear confident that the worst is over. Higher sugar earnings are apparently in the offing from the International Sugar Agreement (ISA) that was implemented in January. The goal of the ISA is to limit global sugar exports to the free-world market in order to support a floor price above 11¢ per pound. Sugar stocks held in reserve will be used to prevent prices from climbing above 19¢ a pound.

Under the ISA, Cuba has the largest export quota, set at 2.5 million tons, although actual shipments during 1978 will be limited to 2.1 million tons because prices have remained below the 11¢ minimum. Hard currency earnings from sugar in 1979 could reach $600 million compared to $450 million in 1976.

Plans to increase the production of nickel and the fish catch appear to be progressing satisfactorily as is the pace of tourism development. Cuban importing enterprises, particularly those involved in turnkey facilities, have again opened extensive negotiations with capitalist supplers. Banco Nacional de Cuba is attempting to arrange a new $70 million loan on the Eurocurrency markets, though uncertainty about the political and economic costs of Cuba's increased involvement in Africa could adversely affect its credit standing with international bankers.

One wonders whether the recent history of economic adversity has had any perceptible effect on Cuba's interest in reopening trade with the United States. If discussions with 20 foreign trade officials, including the Minister of Foreign Trade, are indica-

tive, the impact has been small. One does not sense that trade with the United States is seen as an overall solution to Cuba's extensive economic problems. Rather, when its hard currency market prospects turned sour, Cuba reoriented its trade more towards the COMECON group. In 1976 fully 80 percent of total imports came from COMECON members and the percentage will surely be as high in 1977.

Nevertheless, it is certainly true that Cuba is now and has always been interested in economic gains from trade with the United States. Trade officials obviously want the option of trading with the massive U.S. economy that could be a nearby supplier of virtually everything the Cuban economy needs. Some Cuban imports, particularly agricultural products, could be marginally cheaper if sourced from the United States. The perceived superior technical quality of some U.S. manufactured goods, such as medical and data processing equipment, could make U.S. suppliers more attractive than those in other capitalist countries.

But the most important factor in determining the future course of Cuban hard currency is *not* the timing of renewed trade with the United States. Deciding where to spend its hard currency resources is no problem for Cuba, given the availability of the Western European, Canadian and Japanese suppliers. Rather, the crucial problem is enlargement of Cuba's ability to generate additional hard currency earnings by expanding production of its traditional exportables and diversifying into other product areas. This is where the uncertainty lies.

The most recent data available are used in this article to attempt systematically to evaluate Cuba's hard currency export prospects through 1981 to estimate its ability to import from capitalist countries. In doing so, generally optimistic assumptions were factored in for Cuban progress in completing planned new production facilities and developing new export markets in the capitalist countries. The conclusions point to some possibilities for significant increase in Cuban hard currency trade. It is also assumed, for analytical purposes, that the U.S. embargo is lifted in time to make substantial trade with the United States feasible in 1981. However, a revival of U.S. trade plays a potentially important but not crucial role in Cuba's future hard currency trade.

Of course sugar is most important, accounting for about three-fourths of Cuban hard currency export earnings. Assuming an effectively operating ISA, the volume of Cuban annual exports to the free sugar market will be limited. Even if, at best, Cuba's quota is raised to 2.8 million tons, prices are not likely to exceed 14¢ per pound, providing maximum earnings from sugar of $860 million in 1981.

Prior to 1958, Cuba's fishing industry was virtually nonexistent. Today Cuba has an impressive long range fishing fleet with a global catch that reached 193,000 tons in 1976. Plans call for a doubling of the catch between 1975-1980. If catch goals are indeed met, total fish exports could reach $150 million by 1981, with the American market taking substantial amounts of lobster, shrimp and tuna.

Cuba has had some recent successes in diversifying its traditional line of exportable products. During 1977, substantial quantities of naphtha and cement were exported, along with small but growing amounts of copper concentrates, rum, and honey.

Finally tourism represents a major potential source of hard currency for Cuba. Tourism was declared a priority industry in 1976. Havana's stately hotels, including the Rivera, have been remodeled and are quite comfortable. At present, the majestic Hotel Nacional is being renovated by Canadian companies. Twenty-five new hotels are either under construction or have already been completed. The Cuban-built Marazul at Santa Maria del Mar is one modern, very comfortable example. Assuming completion of construction plans, hard currency earnings in 1981 could be $110 million, compared to $25 million spent by 77,000 Western tourists in 1977.

The bottom line assessment is that in 1981 Cuba's exports could generate hard currency earnings of about $1.4 billion, double the $700 million in 1978. Hard currency borrowings from the Eurocurrency markets could add at most another $200 million. Servicing Cuba's heavy burden of hard currency debt is likely to consume about $300 million of export earnings in 1981. Consequently, net hard currency resources to finance imports from capitalist countries are likely to equal about $1.3 billion in 1981.

A revival of U.S. trade plays a potentially important but not crucial role in Cuba's future hard currency trade.

Prospects for U.S. companies

Since one must assume that strong competition will continue from Western European, Canadian and Japanese companies, particularly where supported by subsidized governmental export financing, the U.S. share of Cuba's hard currency import market seems unlikely to exceed 30 percent, and could well be significantly less, particularly at the start. That would mean at most $390 million of U.S. exports to Cuba in 1981. Compared to current global U.S. sales of more than $120 billion, the Cuban market represents only a drop-in-the-bucket.

However, viewed from the trading perspective of individual companies in certain economic sectors, it could be an interesting and profitable market. In a sense, the attraction of Cuba trade for American firms dealing in agribusiness, materials handling equipment, construction and medical supplies could be enhanced by Cuba's centralized trade structure, which permits virtually one-stop selling to a developing market of 9.5 million people. On the other hand, dealing with centrally planned economies can also have its own special problems and frustrations.

As with most centrally planned economies, Cuba's goal is to balance its trade on a bilateral basis wherever possible. Hence, exports to the United States could be on the order of $350-400 million if trade is fully normalized, including granting of Most-Favored-Nation tariff status on U.S. imports from Cuba. Of course, MFN would require Congressional approval of a bilateral trade agreement and compliance with the free emigration provision of the 1974 Trade Act. But it is important to realize that the lack of MFN would be an impediment only to U.S. imports of tobacco, canned fish and cement, since at present it is only for these products that substantial differences exist between the MFN and non-MFN tariff schedules.

Consequently, immediate Cuban sales of sugar, nickel, lobster, shrimp, naphtha, and possibly some of the famous Havana tobacco items could be expected, even though tariffs on cigars will be five times greater than on tobacco imports from other producers. Of these potential imports, sugar would, of course, be the most important by far with initial shipments probably of 500,000 tons, possibly growing over time to one million tons or more.

SHOE COMEBACK INCLUDES EXPORT STEPS

Under the protective umbrella of import-limiting agreements with Korea and Taiwan, the U.S. footwear industry is attempting a comeback that will include a page taken from its competitors' book.

Changing international economic conditions—including the depreciation of the dollar against some major European currencies and the relatively high rates in some foreign countries—have bolstered hopes that the industry can increase its sales abroad.

A significant volume of export business would be something new for the industry, whose sales abroad last year accounted for only 1.4 percent of domestic production—5.4 million pairs out of 384 million. Therefore, industry leaders expect no miracles; they do not see export markets pulling the industry out of the doldrums of recent years. Nonetheless, the industry trade association is cooperating with the Commerce Department in a broad-ranging effort to acquaint shoe manufacturers with opportunities in exporting. For the Commerce Department's Industry and Trade Administration (ITA), whose export promotion activities usually concentrate on capital goods and scientific equipment, the venture is an unusual attempt to help market consumer goods abroad.

The effort to find foreign buyers for U.S.-manufactured shoes is part of a larger, three-year, $56-million program whose aim is to overhaul and revitalize the ailing domestic shoe industry. The broader effort, initiated last year by Commerce Under Secretary Sidney Harman in response to a directive from President Carter, includes such elements as an accelerated program of trade adjustment assistance loans and loan guarantees to import-injured firms, help for these firms from teams of consulting specialists and from shoe retailers, and development and diffusion of technological advances in manufacturing (NOTE: Domestic elements of the program will be covered in a future *Commerce America* article.).

Industry in decline

The government's attempt to help comes after many years of decline in the footwear industry. In 1977, the industry produced 384 million pairs of shoes, slippers, sandals, boots and other nonrubber footwear—down from a peak of 642 million pairs in 1968. It was the first time since 1938 that production by the industry slipped below 400 million pairs. With the exception of a modest surge in 1976, production has dropped every year since 1968, and with that drop has come a decrease in employment: from 230,000 in 1968 to about 160,000 today.

The story of the industry's decline can be seen also in another set of figures: the rapidly escalating level of imports during the past 10 years. Imports

jumped from 96 million pairs in 1966 to 129 million in 1967, and from there took off in a steady climb that culminated in 1976, when 370 million pairs were imported. Last year showed a minor drop in imports, to 368 million pairs. But the simultaneous decline in domestic production (from 423 million pairs in 1976) meant that imports captured a record share of the U.S. market—49 percent. Foreign producers have made dramatic market share gains since the mid-1960s, when they commanded only about 10 percent of the U.S. market.

The International Trade Commission has twice made formal findings that the industry has been injured by imports.

Following the second finding in January of 1977, President Carter announced last April 1 that he would act on two fronts to help the domestic footwear industry:

- He would seek to persuade the two largest supplier nations—Taiwan and Korea—to cut back on their exports to the U.S. market.
- He would order the Commerce Department to mobilize its resources to help the domestic industry. Commerce agencies now involved in the endeavor include ITA, the Economic Development Administration, and the Office of Science and Technology.

The first order of business was dealing with Taiwan and Korea, which between them shipped the U.S. 225 million pairs of shoes in 1977. Special Trade Representative Robert S. Strauss undertook negotiations with Korea and Taiwan last year which ended when the two countries signed four-year Orderly Marketing Agreements. They agreed to reduce shipments by 22.5 percent during the first year—back to their average levels of 1975-76. The OMAs took effect June 28, 1977.

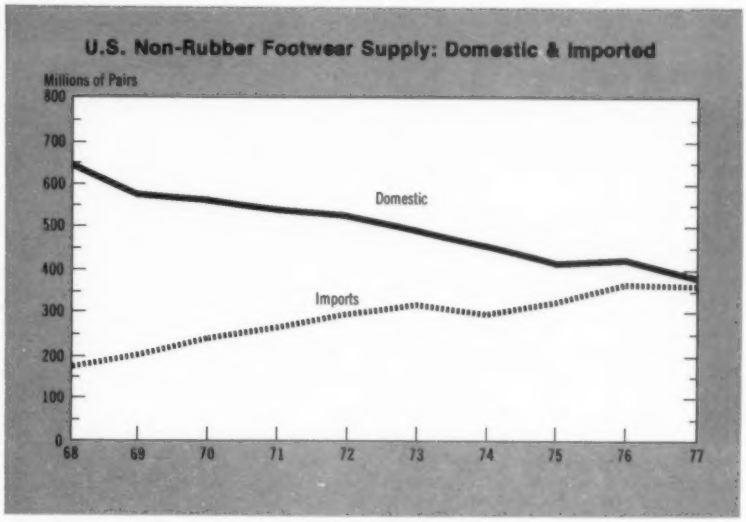
The OMA's did not really bite during 1977. For the full calendar year, Taiwan's exports increased to 166 million pairs and Korea's to 59 million. But by early April of 1978 the two countries had almost reached their limits for the year ending in late June. Meantime, imports from other countries declined in 1977, in large part because of rising production costs abroad. Perhaps in anticipation of future declines in imports, domestic production in the final quarter of 1977 jumped to 98 million pairs, up from 92 million pairs during the same quarter of 1976—an increase Harman characterized as a "very hopeful sign" of renewed vitality in the domestic industry.

Export program

Though the import-limiting agreements are designed to protect the industry in its home market, the Commerce Department and the American Footwear Industry Association (AFIA), representing domestic manufacturers, are working together to see if domestic production can be increased through development of export markets.

In a recent letter to footwear manufacturing executives, Harman outlined various reasons why the "odds are in favor" of boosting exports, including:

► "Higher rates of inflation in major shoe exporting countries such as Italy, Spain, and Brazil."



► "Footwear exports to the United States are now declining."

► "Recent decline in the value of the dollar abroad makes U.S. footwear an even better value."

► "Overseas market reports indicate strong consumer demand for 'Made in USA' footwear."

Fawn Evenson, senior vice president of the AFIA, says that the industry association's serious interest in promoting exports dates back to the summer of 1976. A letter was sent to the Commerce Department then, asking for suggestions, but no program emerged. In the meantime the AFIA became involved in the International Trade Commission case that led eventually to the agreements with Taiwan and Korea.

It was not until that matter had been resolved, "giving us an opportunity to grow in our own market," Evenson said, that the AFIA again began to take an active interest in promoting exports.

Last September, the AFIA told its members that the association and the Commerce Department would work together on an export expansion program if manufacturers showed sufficient interest. Eighty-one companies responded. "We were gratified there was so much interest," Evenson said. Companies responding included small, medium and large firms, some with experience in exporting and some without.

The Commerce Department then undertook studies of opportunities in 13 countries. The most promising markets were found to be in Europe, especially Germany, Scandinavia, France and Britain. Switzerland, which like Germany has seen an especially strong appreciation of its currency against the dollar, also may offer opportunities for footwear exports. So may Japan, if it relaxes barriers to footwear imports.

The export expansion effort got under way formally in January at a meeting in Washington keynoted by Harman and attended by interested footwear manufacturers.

In April, the AFIA and Commerce jointly sponsored exporting seminars in New York, Boston and

A significant volume of export business would be something new for the industry.

There is evidence of a bias in European markets toward shoes with American styling and identification.

St. Louis. Nearly 100 footwear executives attended the sessions, and received briefings from businessmen experienced in export procedures and requirements.

In the meantime. the AFIA and Commerce are organizing the first of three trade missions planned to be sent abroad during 1978 and 1979. The mission will travel to Paris on Sept. 13, and then continue to Stockholm, Duesseldorf and London, returning on Sept. 29.

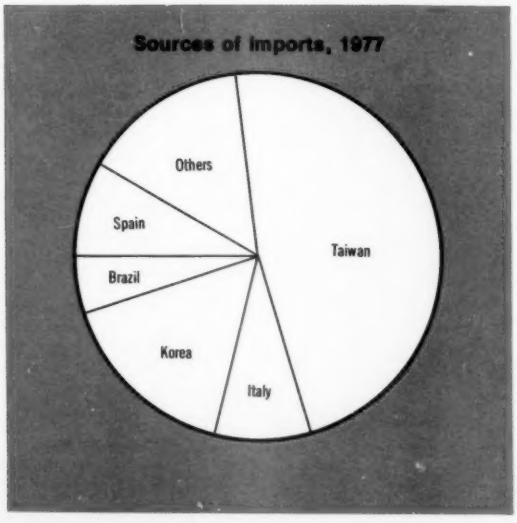
From Sept. 23-25, more than 20 footwear firms will exhibit their wares at one of Europe's most important trade fairs, the Duesseldorf International Footwear Fair. The Commerce Department is overseeing exhibit design and construction, it will mount a promotion program to attract buyers, agents and distributors, and will provide interpreters and show management personnel.

In addition to planning two more trade missions for 1979, AFIA and the Department are cooperating in the following export expansion efforts:

- The Department will organize Foreign Buyer Programs to bring foreign footwear buyers to the United States in conjunction with the National Shoe Fairs at the New York Coliseum in February 1979 and August 1979.
- Department field officials will organize "matchmaker" meetings designed to acquaint U.S. footwear manufacturers with overseas assistance available from export management companies.
- A videotape export program will be produced at the August 1978 footwear exhibition at the New York Coliseum. Thirty to 40 U.S. footwear manufacturers will be filmed as they sell and demonstrate their footwear lines at the show. The tapes will be shown in selected European and Far Eastern countries this fall and next spring, along with samples, catalogs and promotional literature.

Foreign markets, expectations

Though AFIA leaders and Commerce officials believe that conditions are right for a drive to expand footwear exports, they caution that persistence will be required to achieve significant advances and that, in any event, export markets cannot be expected to solve the domestic industry's troubles.



The international economic conditions that favor U.S. exports are supplemented by evidence of a bias in European markets toward shoes with American styling and identification, according to footwear specialists who have traveled recently on the continent.

Vic Mangini, a consultant to the Commerce Department's Footwear Industry Team, says that on a recent trip he saw strong evidence of a pro-American bias in footwear styles. At a shoe fair in Germany, he observed a German company called "Sioux" (they pronounce it see-ox) selling moccasins and other shoes with a casual, Western look. The company's logo is an American Indian, and its display was housed in a teepee.

During his travels, Mangini also discovered a Spanish company producing imitation Frye boots, and another Spanish firm whose line included boots with a tiny American flag sewn on the outside.

"All European teenagers show an American bias," Mangini said. "In the Scandinavian countries, for instance, you may see many young teenage boys on California skateboards, and wearing jogging shoes; you'd think you were back in America."

Mangini said there is increasing demand in Europe for men's leather (as opposed to synthetic) executive shoes, and demand for American-style products, especially Western moccasins and boots. There also appears to be a strong market for quality footwear for children, he said. In the teenage market, the demand is for casual footwear, outdoor shoes, Alpine hiking shoes and work boots, according to Mangini.

Commerce officials working on the footwear export program have no specific expectations as to how much exports can be expected to grow in the next few years. Nor do AFIA leaders, though they caution against great expectations and say that exports are no panacea for the industry.

"Exports are important, and the industry should take the offensive in exploring possibilities abroad," says Frederick A. Meister, AFIA's president. "But exports are not the answer to all our problems, and we should not overpromise."

Meister said that if, five years from now, exports have increased from their present level of 1.5 percent of domestic production to 5 percent, he would count the program as "very successful."

Meister noted that exporting can be a time-consuming, complicated and expensive business, and said that many domestic companies, with fewer than 500 employees, simply may be too small to devote the resources necessary to developing a going export business.

While supporting the export expansion endeavor, Meister and the AFIA also will be monitoring enforcement of the current orderly marketing agreements, and building a case for an extension of protection for the industry after the agreements expire, if that proves necessary.

Task Force On Export Policy Begins Study For President

President Carter's new inter-agency task force on U.S. export policy met on April 17 for the first time, with Assistant Secretary of Commerce Frank A. Weil as head of its executive committee, and set about planning recommendations to the President on ways to increase U.S. sales abroad.

President Carter announced creation of the task force in an April 11 address, saying "Our standard of living and our ability to grow depend upon the raw materials and the goods that we import from other countries. Therefore, to prevent further serious trade imbalances, we need to export more agricultural products and other goods and services to pay for our purchases abroad."

The President named Secretary of Commerce Juanita M. Kreps to head the Cabinet-level task force, and asked for a report within 60 days on new measures to increase U.S. exports and improve the U.S. trade balance. The report is due by June 15.

"This represents a major Presidential commitment to finding ways of improving the nation's export performance as part of his effort to restore confidence in the dollar and fight inflation," Secretary Kreps said.

The task force is composed of representatives of the Department of Commerce, Defense, State, Treasury, Justice and Agriculture; the Export-Import Bank, the Federal Reserve Board, the President's Special Representative for Trade Negotiations, the Small Business Administration, the Office of Management and Budget, the Council of Economic Advisers, the White House Domestic Policy Staff and the National Security Council.

The executive committee chaired by Weil is composed of Assistant Secretaries or their equivalents in rank from each of these agencies. To manage the operations of the task force, Weil has appointed a steering group composed of three Deputy Assistant Secretaries in the Commerce Department's Industry and Trade Administration: Stanley J. Marcuss, W. Dean Moran, and Forest E. Abbuhl.

At its first meeting, the committee identified five areas of study:

- ► Export finance and financial incentives, including taxation;
- ► Agricultural export policy;
- ► Export development and business and labor attitudes;
- ► Government regulation, including antitrust;
- ► Research and development affecting U.S. export potential.

At the executive committee meeting, Weil said that the purpose of the task force was to identify "an array of measures to increase exports over a reasonable period on a cost-effective basis."

The views of the private sector, both business and labor, are being welcomed by the task force. Written recommendations should be addressed to: Robin M. Potter, Steering Group Executive Coordinator, Room 3830-A, Industry and Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230.

Foreign Investment Activity In U.S. Stayed Vigorous In First Half Of 1977

Foreign investors remained as active in the U.S. market in the first half of 1977 as they were in the preceding four years.

The first half of the year was marked by a large percentage of foreign acquisitions of U.S. companies; principal investment sourcing from the Western industrialized nations and Japan, and foreign investor concentration in manufacturing investments, the Commerce Department's Industry and Trade Administration (ITA) reported.

Preliminary data for the year as a whole indicate that completed foreign direct investment transactions in the United States will be substantially higher in 1977 than in 1976.

The report was prepared in the Office of Foreign Investment in the United States, an office of ITA's Bureau of International Economic Policy and Research.

Canada, West Germany, the United Kingdom and Japan remained the primary source countries. Most investments were made in U.S. manufacturing industries, especially those producing chemicals and allied products and electrical and electronic equipment and apparatus. Acquisitions, mergers and equity increases remained the preferred modes of investment.

Of the 131 foreign direct investment transactions identified, 72 were classified as completed (e.g., assets or properties involved changed hands, construction started for new or expanded plants, joint venture agreements were signed), and values reported for 43 of these totalled $668.8 million.

By number of cases, investments were distributed 50 percent in manufacturing, 29 percent in finance, insurance and real estate, and 10 percent in wholesale and retail trade. By reported value, the distribution was manufacturing, 58 percent; finance, insurance and real estate, 28 percent; wholesale and retail trade, 6 percent; all other, 8 percent.

By country, manufacturing investments were led by the United Kingdom, ranging over most categories. Canada, also diversified, and West Germany, with some concentration in electrical and electronic equipment, followed. Belgian investments were largely in primary metal industries.

Considerable publicity was given during 1977 to foreign investment activity in various types of U.S. real estate—hotels, apartment complexes, office buildings, residential property, and farmland.

In a high percentage of the cases—especially in the farmland area—the identities of the foreign corporations or individuals are not revealed, and are held highly confidential. Furthermore, many realty transactions occurring in the first half of the year were not reported until the latter part of the year.

Additional details on foreign direct investment in the United States in the first half of 1977 may be obtained from the Industry and Trade Administration, Room 6093, U.S. Department of Commerce, Washington, D.C. 20230, telephone 202-377-2568.

Chicago World Trade Meeting Urges New Export Policies

A six-point export promotion policy was recommended for the United States by delegates to the recent Chicago World Trade Conference. They saw as "essential" the following steps:

"First, America must aim for tax parity with foreign competitors.

"Second, America must aim for credit parity with foreign competitors.

"Third, America must achieve a reduction of nontariff barriers to U.S. exports.

"Fourth, America must build positive economic relations with other nations.

"Fifth, America must negotiate nondiscriminatory treatment of international investment.

"Sixth, America must expand U.S. Government export promotion programs."

The Chicago group commented that the United States is "the only major industrialized country without a cabinet-level department for international trade, and the only trading nation where international economic policy is subordinated and diffused through a dozen government agencies."

Defining the urgency of establishing a national export promotion policy, the conference asserted: "Such a policy, fully implemented, would enable U.S. companies to compete fairly and effectively in the international marketplace. It is a policy long overdue and sorely needed. The gravity of America's deteriorating export posture and the competitive challenges ahead demand no less than a national export policy."

Official Trade Briefs

This article is another in a series of reports that describes actions affecting world trade, as compiled by the Import Policy Division of the International Economic Policy and Research Bureau's Office of International Trade Policy.

THE PRESIDENT

Import Relief: The President has proclaimed a temporary increase in the rate of duty applied to imports of **Citizens' Band (CB) transceivers.** The rate will be increased from the current 6 percent to 21 percent in 1978; it will then be reduced to 18 percent in 1979 and to 15 percent in 1980. In 1981, the rate will return to 6 percent. The proclamation was issued following an International Trade Commission (ITC) investigation, under section 201 of the Trade Act of 1974, which resulted in a finding that imports of CB radios were a substantial cause of serious injury to a domestic industry and an ITC recommendation that tariffs be increased.

Economic Summit: The President will meet with the heads of state of the United Kingdom, France, West Germany, Italy, Japan and Canada at an economic summit meeting in Bonn on July 16-17. Earlier meetings in this series have been held in Rambouillet, France, in Puerto Rico and in London.

Task Force on Export Policy: The President has appointed a Cabinet-level group to make proposals for a national export policy (see story on page 9).

CONGRESS

Committee Action—House: The Subcommittee on Trade of the House Committee on Ways and Means held a hearing on H. Con. Res. 469, to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. domestic **high-carbon ferrochromium** industry. In addition, the subcommittee approved for full committee action H.R. 5551, to suspend for a three-year period the duty on 2-Methyl, 4-Chlorophenal, and H.R. 11711, amended, regarding **Trade Adjustment Assistance.** Also, the Subcommittee on International Development Institutions and Finance of the Committee on Banking, Finance and Urban Affairs held an oversight hearing on U.S. participation in **multilateral development institutions.**

In addition, the Committee on Government Operations' Subcommittee on Legislation and National Security held an oversight hearing on administration of the **Buy American Act.**

The Subcommittee on Foreign Operations of the Committee on Appropriations held a hearing on the **Overseas Private Investment Corporation.**

Also, the Subcommittee on International Economic Policy and Trade of the International Relations Committee held a hearing on **United States trade with Japan.** Testimony was presented by Frank A. Weil, Assistant Secretary of Commerce, as well as other private and public sector witnesses.

In addition, the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries held a hearing on H.R. 11422, to authorize the formation and implementation of closed conferences and shippers' councils in the **foreign ocean-borne commerce** of the United States. Representatives from Commerce, and several other Federal agencies presented testimony.

Also, the Subcommittee on International Trade, Investment and Monetary Policy of the Committee on Banking, Finance and Urban Affairs continued hearings on **Export-Import Bank reauthorization.** Frank A. Weil, Assistant Secretary of Commerce, presented testimony along with other witnesses from public and private agencies.

Committee Action—Senate: The Subcommittee on International Trade of the Committee on Finance held hearings on S. Con. Res. 66, disapproving the President's determination transmitted to Congress on Feb. 10, not to provide restraints against imports of **bolts, nuts, and screws of iron or steel** as recommended by the International Trade Commission. Testimony was presented by several public and private witnesses.

Also, the Subcommittee on International Housing and Urban Affairs held hearings to examine U.S. programs designed to increase **U.S. exports.**

Also, the Subcommittee on Finance conducted hearings on S. 2520, authorizing funds for fiscal year 1979 for the **Export-Import Bank of the U.S.**, with testimony being heard from private and public sector witnesses.

In addition, the Subcommittee on Federal Spending Practices and Open Government conducted hearings on S. 2318, to require the heads of Federal agencies to issue certain regulations respecting the purchase of material made in the United States, to permit the states to give preference to such materials, and to require that certain state purchases made with Federal funds be subject to the **Buy American Act.** Public and private witnesses were heard.

In other committee action, the Committee on Agriculture, Nutrition and Forestry's Subcommittee on Foreign Agricultural Policy held oversight hearings on inspection standards of domestic produce vis-a-vis standards imposed on **imported produce.** Several witnesses from both private and public sectors presented testimony.

Bills Passed—Senate: The Senate passed H.R. 6782, proposed Emergency Agricultural Act of 1978, including an amendment to require the country of origin to be shown on all imported **meat products.**

New Legislation: In the first and second sessions of the 95th Congress 334 trade and related bills have been introduced. Those not previously reported include:

H.R. 11562 and H.R. 11569 to amend the **Antidumping Act of 1921** to expedite procedures for making certain findings under such act. H.R. 11654, to strengthen the economy of the U.S. through increased sales abroad of American farm products; H.R. 11667, to amend the **Buy American Act** to require that certain Federal contracts be made with the lowest domestic bidder; H.R. 11688, to amend the Tariff Schedules of the U.S. in order to provide for the duty-free entry of **dogs and cats,** regardless of the purposes for which the animals are imported; H.R. 11711, to improve the operation of **adjustment assistance** programs for workers and firms under the Trade Act of 1974.

Also, H.R. 11752, **inter alia,** to increase **agricultural exports,** revise and extend the **sugar** program, modernize and revise **meat** quotas, and restrict authority for agricultural **embargoes;** H.R. 11756, to amend the **Export Administration Act of 1969** to prohibit exporting to Uganda of goods subject to control under the act; H.R. 11758 and H.R. 11759 to prohibit importation of **Ugandan products** into the United States, including coffee; H.R. 11785, to amend the Tariff Schedules of the United States to repeal, in the case of certain **wearing apparel** and **non-rubber footwear,** the special tariff treatment accorded to articles assembled abroad with components produced in the United States; H.R. 11842 to strengthen the economy of the U.S. through increased sales abroad of American **farm products;** H.R. 11849, to amend the **Antidumping Act of 1921.**

Also, H. Con. Res. 542 to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. industry manufacturing **metal fasteners;** H. Con. Res. 548, expressing the sense of Congress that an import fee should not be imposed on **crude oil;** H. Con. Res. 551, to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. **high-carbon ferrochromium** industry; and H. Res. 1115 expressing the sense of the House that the President should exercise

his authority to suspend the ban on the importation of Rhodesian chrome and ferrochrome.

INTERNATIONAL TRADE COMMISSION

Section 406—Market Disruption: The International Trade Commission (ITC) has issued a report to the President, following its first investigation under section 406 of the Trade Act of 1974, stating that market disruption does not exist with respect to the importation of certain **cotton work gloves** from the People's Republic of China. Under section 406, the President is authorized to provide import relief if a finding is made that imports from a Communist country are causing market disruption with respect to an article produced by a domestic industry.

The ITC has announced its determination, pursuant to section 201 of the Trade Act of 1974, that imports of **stainless steel flatware** are causing serious injury to a domestic industry. The injury determination was made by a 4-2 vote of the Commissioners.

Section 201—Import Relief Cases: ITC has initiated two new investigations under section 201 to determine whether increased imports of **bicycle tires and tubes** and **unalloyed unwrought copper** are a substantial cause of serious injury to the U.S. domestic industries producing competitive goods. ITC findings and recommendations are due within six months of the time the petitions were filed.

Antidumping Cases: Following an affirmative Treasury finding of sales at less-than-fair value for **carbon steel plate** from Japan, the ITC has issued a determination that the low-price sales are not causing injury to relevant domestic industries. Antidumping duties will thus not be imposed. The ITC has also issued a finding that less-than-fair value imports of **impression fabric** from Japan are causing injury to the domestic industry, and Treasury will therefore assess an additional duty on such goods.

Finally the ITC has notified the Treasury that the antidumping investigation regarding **offset paper** from Canada can be terminated. The notification followed the ITC finding, under section 201 (c) of the Antidumping Act of 1921, that there is no reasonable indication of injury or the likelihood of injury to a U.S. industry from the possible sales at less-than-fair value of such imports. Section 201(c) authorizes the Secretary of the Treasury, following initiation of an antidumping investigation, to request preliminary advice on injury from the ITC.

Section 337-Unfair Trade Practices: The Commission has announced institution of three new section 337 cases involving alleged unfair practices (in the form of patent infringements) in the importation or sale of certain **cigarette holders**, certain **synthetic gemstones**, and **attache cases.**

COMMERCE DEPARTMENT

Trade Adjustment Assistance for Firms: The Commerce Department has recently certified 11 firms as eligible to apply for trade adjustment assistance. The firms produce **shoes, handbag frames, ornaments and accessories, apparel,** and **fabric.** In this reporting period, no firms investigated were denied eligibility certification.

TREASURY DEPARTMENT

Antidumping Cases: The Treasury Department has issued two preliminary affirmative findings of sales of imported goods at less-than-fair value under provisions of the U.S. antidumping statute. The products involved are **portland hydraulic cement** from Canada and **sorbates** from Japan.

In addition, the Department has initiated a new dumping investigation regarding **nylon yarn** from Japan and has reopened a previously discontinued case concerning alleged lowprice sales of imported **viscose rayon staple fiber** from Austria.

Finally, Treasury has announced formal termination of four cases involving imports of **structural steel, steel sheet, steel pipe and tube,** and **carbon steel plate** from Japan. The termination followed withdrawal of petitions by U.S. Steel which initiated the cases. The withdrawal was made in order to allow the newly developed "trigger price mechanism" on steel to deal with the dumping problems. The withdrawal is without prejudice to a new filing by U.S. Steel if it appears that the steel trigger price mechanism is not effective.

Countervailing Duty Cases: The Department has announced initiation of a new countervailing duty investigation following receipt of a petition alleging the payment of bounties or grants on **oleoresins** imported into the United States from Spain. A new investigation was also initiated, and a preliminary negative determination issued simultaneously, regarding certain **electrical sound equipment and electronic musical instruments** from Japan.

LABOR DEPARTMENT

Workers' Trade Adjustment Assistance Certifications: The Labor Department, having found that 12,125 workers have been or may become unemployed as a result of increased imports, has certified these workers as eligible to apply for trade adjustment assistance. They are or were employed at firms producing the following products or engaging in the following services: **photographic film, paper, and chemicals, coffee, footwear, zinc concentrate, apparel, transportation support functions for steel plants, leather, copper, combs and brushes, color television sets and cabinets, ball bearings, sugar cane and raw sugar, shoe boxes, leather products, rubber and friction tapes, CB radio accessories.**

Also, **children's hats, baby shoes, non-conventional watches, watch crystals, smoke detector horns, iron ore pellets, carbon composition resistors, fabrics, castings and loom parts, handbags, dress and ski gloves, aluminum die castings, wire and strip copper alloys, hot and cold rolled sheet and strip steel, wire and wire products,** and **copper products.**

Investigations: Of the investigations recently initiated by the Department to determine whether workers at various plants are eligible to apply for adjustment assistance, the products most frequently concerned are **apparel products.**

Denials: The Department denied petitions for trade adjustment assistance for 6,931 workers engaged in the manufacture of the following goods or performance of the following services: **electrical cable, apparel, slipcovers and throws for furniture, vidicon tubes, women's underwear, carbon steel products, cafeteria services, transport operations, fabrics, fabricated structural steel, cold-finished carbon and alloy steel bars, ferrous and non-ferrous metals, specialty nails, sea scallops, electronic musical instruments, foundry grade metal scrap, cans, refractories, inspecting, pre-shrinking, and heat-setting of cloth, yarn, rotor pumps, centrifugal pumps, turbines.**

Also, sales and servicing of automotive vehicles, iron ore and concentrate, printing of textiles, footwear, furniture, fuel injection systems, metal fabrications, underground construction and development work for mining companies, demolition equipment, test driving of automotive vehicles, industrial sewing machines, printed circuit boards, design, erection and installation of exterior stone, bobby pins, cast iron pressure pipe, oxygen, nitrogen, argon, ingot molds, pig iron, coke, specialty castings.

Tunisia Has Instituted Additional Customs Tax

The Government of Tunisia has instituted a new tax on about 250 categories of products deemed to be luxury or non-essential goods. Ranging from 5 to 300 percent of c.i.f. value, it is classified as a customs tax and is in addition to already existing import duties. Receipts from the new tax will go to the "Caisse Generale de Compensation," a fund from which subsidies are paid on certain consumer items of basic necessity, including bread, vegetable oil and school writing paper.

Among items subject to the tax, which was instituted March 25, are alcoholic beverages, many food products, wood and paper products, clothing, glass, calculators, television and radio sets, automobiles and motorcycles.

For rates on specific products affected by the new "taxe de compensation," write or telephone CAGNE/BED/ITA, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-3752).

U.S. Executives Demonstrate Growing Trade Interest In People's Republic Of China

If attendance at a recent Commerce Department seminar is an indication, there is growing interest among U.S. traders in doing business with the People's Republic of China (PRC). A total of 80 persons came, and twice that many had to be turned away for lack of space by the meeting's sponsors, the PRC Affairs Division of the Department's Bureau of East-West Trade.

The discussions ranged from an analysis of the stability of China's current leadership to a review of the recently announced China modernization program, and included a description of Sino-American commercial relations over the past six years, a description of the state of industrial technology in the PRC today, advice on Chinese negotiating and contractual practices, and pointers on technical seminars as a selling technique to China.

A repeat of the seminar will be held in the Commerce Department auditorium on May 23. Those wishing to attend should contact Ian MacFarlane of the PRC Affairs Division, Bureau of East-West Trade, on 202-377-5527. The Division's five China specialists are also available on that number for other assistance to U.S. firms interested in China trade.

China is actively engaged in extremely ambitious plans to modernize its economy (see the April 10 issue of *Commerce America* for a discussion of China's ten-year economic plan). The plans include a substantial program for imports of plant equipment and technology from Japan, Western Europe and the United States. They aim at bringing China to ". . . an economic and technological level in most fields close to that of the most developed capitalist countries by the year 2000."

Kenneth Lieberthal of Swarthmore College posed the question to seminar participants: "Will the current coalition leadership in China hold together to see through the dramatic plan of modernization?" He noted that methods needed to carry out the program — methods already announced within China — are highly controversial and run against some core values of the revolution. Some, such as strict examinations for admission to schools and wage incentives, are already being reintroduced in China. Others will inevitably lead to exploitation of rural areas, and increased dependence on foreign goods and technology. These contradict major values of the Chinese society, values that stress the equality of rural areas, egalitarianism, and the equality of China with the countries of the West.

Will the leadership coalition remain united enough to handle change of this magnitude? The succession to Mao Tse-tung has been a decade-long struggle, leading to the current ascension of Hua Kuo-feng and Teng Hsiao-ping. Both support the modernization program, according to Lieberthal, but they disagree significantly on the question of how to do it.

In readings from the press, speeches and policy announcements, it seems clear that Teng is willing to modernize at somewhat greater cost to the values of the Chinese revolution than Hua. Realizing that science and technology must be the basis for China's modernization, Teng approves both of professional scientists (who disregard political training) and of "learning from abroad"—absorbing foreign technology as fast as possible. Hua on the other hand believes that technological development will come from the masses and must be done through mobilizing the masses: that "politics is the soul of everything and must be in command."

According to Lieberthal, the different perspectives of these two men may present an issue that is unsettling enough to affect the political stability necessary to carry out the ten-year economic plan and the plan to modernize by the year 2000. Over the period to 1985 the modernization program may be increasingly vulnerable politically, but if it is still in place ten years from now Lieberthal believes, it will carry on.

Economic analysis

Dr. Robert Michael Field of the Central Intelligence Agency addressed the Chinese modernization program and the problems of planning the Chinese economy. As a planned economy, investment in China is not directed by the opportunity for profits but is allocated bureaucratically in one, five, and now, ten-year plans. The major economic problem has historically been a race between growth in grain production and growth in population. Consequently, agriculture has been and continues to be the No. 1 priority for allocation of resources. In the 1976-85 plan, China proposes an annual increase in grain output of 4.3 percent to a targeted 400 million metric tons of grain by 1985. Since the last three years have shown little or no growth in grain output in China, Dr. Field considers the 1985 goal a very optimistic target.

Industrial targets are also ambitious, but according to Dr. Field, not impossible. He feels, however, that a steel target of 60 million tons of production by 1985 (from an estimated 25 million in 1977) is unrealistic. Severe bottlenecks continue to plague the Chinese economy, caused by inadequate allocation of resources in addition to such disruptions as internal political problems and the Tangshan earthquake disaster.

Investment in extractive industries in particular have been skimped, along with all forms of transportation. In contrast, rapid development has characterized the petroleum industry. Up to 1976 the growth rate per year exceeded 20 percent, although it fell to around 13 percent in 1977. China currently produces 1.8 billion barrels per day, of which around 8 percent is being exported, mostly to Japan. Since domestic demands are expected to grow substantially in the future, it is doubtful that the rest of the world will be importing much Chinese oil for some time.

Sino-American trade

Other speakers concentrated on the subject of current U. S. trade with China. William W. Clarke, Director of PRC Affairs in the Bureau of East-West Trade, described how, after the end of the U.S. embargo in 1972, two-way trade zooomed to almost a billion dollars in 1973 and 1974, with U.S. export of grain dominating the market. With the virtual cessation of grain sales in the next few years, trade dropped to annual levels of $300 to $400 million. Trade in 1978 is expected to total around $475 million, with $250 million in U.S. exports and $225 million in U.S. imports.

While U.S. agricultural exports have been volatile and unpredictable, non-agricultural sales have displayed a gradual and steady increase. Areas of substantial exports have included polyester fiber, petroleum exploration, drilling, and production equipment, petrochemical plant technology, aluminum ingots, machine tools and cotton. High export potential items include steel scrap, steel plant technology, coal-fired thermal power stations, and transportation equipment and technology.

With the inauguration of China's modernization plans will come the launching of 120 major projects in the power, steel and non-ferrous metals industries, and oil fields, rail transport and harbor development.

While knowledge of these 120 projects does present the U.S. businessman with some idea of China's buying plans and priorities, Clarke cautioned that very little is known about Chinese planning and decision making. Market research in the classical sense is simply not possible; in addition the Chinese do not publish requests for tenders; and access to end-users is difficult. The U.S. exporter is often left in the dark about the salability of his products.

Other than mailing off unsolicited proposals to the foreign trade corporations in Peking, ways of acquainting one's company with the market in the PRC have included contacting visiting Chinese delegations, becoming a member of the National Council for US.-China Trade, contacting the commercial officers at the PRC Liaison Office in Washington, going to China as part of a technical seminar group, and attending the Canton Fair.

As so many China traders already know, those approaching the PRC should come with a sober appreciation of the difficulties associated with the trade. Julian Sobin spoke from the vantage point of long experience with both the difficulties and the successes. He stated that "trade with China involves more perspicacity and insight than with any other country," and advised businessmen to "think deeply about China." Sobin is Executive Vice-President of a Boston export firm, Friendship International Corp.

Negotiations with the Chinese proceed as the Chinese wish, according to Sobin, with the Chinese setting the pace and rhythm as well as the time and place. Mutual benefit becomes less mutual during the process of negotiations. An American businessman is advised never to lose his cool in this kind of alien negotiating atmosphere. He should at the outset leave room for concessions, which will be in price, while Chinese concessions will involve terms. He should inventory his concessions and use them over and over again.

Although U.S. businessmen are becoming acquainted with the Chinese practice of pitting competitors against one another at the Canton Fair, Sobin asserts that this does not happen in Peking. Changes in Chinese negotiating techniques have been noticeable lately. The former preamble of political harangue is shortened or absent. The Chinese are immediately interested in getting down to brass tacks and to the question, "Do you have the best quality for the lowest price?"

Once negotiations result in a contract, the U.S. signatory should realize that the contract cannot be changed in principle, but it certainly can in practice. In signing the contract, Sobin noted, a businessman is "trusting the Chinese in their ambiguities." Contracts, written by the Chinese, are "risk-taking contracts" for the U.S. trader, and one has to decide to accept certain of their terms in the interests of reaching an agreement.

Technical seminars

Howell Jackson of the National Council for U.S.-China Trade advised the audience on technical seminars as a selling technique in the China market. Making personal contact is the first hurdle in entering the market. Since China is plagued by a severe shortage of trained technical personnel, U.S. companies are finding that holding such seminars is one effective means of gaining entree into the country. While European, and particularly British, firms have used this device for many years, U.S. companies are quickly catching on. Out of an estimated 300 technical seminars given last year in China, U.S. companies gave 30; the number will be up sharply in 1978.

The typical technical seminar involves a one to two-week visit to China by company members technically qualified to speak on a subject of interest to the Chinese. It can be sponsored by a variety of Chinese organizations, and is generally held in Peking with 20 to 30 Chinese present. Jackson described the steps first in obtaining an invitation to put on a seminar, then in selecting the best team "mix" to go, preparing the technical papers and devising a strategy of presentation. An in-depth coverage of the subject, he said, can be found in an article by him in the January-February 1978 issue of the *China Business Review*. Copies of the article can be obtained from the National Council for U.S.-China Trade, a private organization based in Washington.

Industrial technology

Discussing industrial development and technology, Ian MacFarlane of the Bureau of East-West Trade noted that there are unique contrasts in China which make technological assessments difficult. Observers can be equally correct in commenting that China is on the verge of a technological "leap forward" and that China is 15 to 25 years behind the times. In proportion to the size of the country and population, the PRC has a small industrial base. By concentrating both human and material resources on a particular sector, China can make substantial progress in a short period of time.

Both political and economic factors combine to determine which areas will be favored. Those recently described by Hua Kuo-feng as being critical and requiring early attention were the power industry, fuels (coal plus petroleum), transport, communications, and the machine building industry. MacFarlane took each in turn, describing its current state of development and requirements for future advancement.

Office Equipment Exhibition Set For Cairo In October

An international exhibition of office equipment and electronic computers will be held in Cairo, Oct. 4-14. This will be the third specialized exhibition of such products in Cairo; previous shows were held in 1971 and 1974. Attendance will be restricted to business and professional persons during the period Oct. 4-8.

Displays will include electronic computers, data processing machines, machines for transferring data and documents, performance control equipment, intercoms, printing and photocopying machines, typewriters and microfilm, and other office equipment and requirements such as safes, ventilators and air conditioners, furniture, lighting fixtures.

Further information may be obtained by writing: Country Marketing Manager, CAGNE/BED/ITA, Room 3203, U.S. Department of Commerce, Washington, D.C. 20230.

Costa Rica Changes Taxes Affecting TV, Auto Imports

The Costa Rican Ministry of the Treasury lowered consumer taxes on televisions and automobiles, effective March 17. Decree 8151-H established that domestically-assembled televisions and those entering under the protection of free trade treaties, will be taxed at 30 or 40 percent, favoring televisions with cabinets of national manufacture. Imported televisions will be taxed at 60 percent.

Station wagons, sports cars and sedans will be taxed as follows: fully assembled overseas at 75 percent (up to 1600 cc) or 100 percent (over 1600 cc); locally assembled at 30 percent (up to 1300 cc), 50 percent (over 1300 cc up to 1600 cc), or 100 percent (over 1600 cc).

Furnishings Show Scheduled For Singapore Next Year

Singapore's first international furniture and furnishings exhibition is scheduled for April 7-11 next year. The show, Homemakers '79, is designed to offer manufacturers and traders an opportunity to display their latest furniture, furnishings, and household appliances to a wide and increasingly sophisticated market in Singapore and the Southeast Asian region. The event will take place at the World Trade Center, located in a fast-growing commercial area. Contact: Scope International Pte, Ltd., Suite 504, Eng Cheong Tower, North Bridge Road, Singapore 7.

Philadelphia Port Area Getting Foreign-Trade Zone

A grant of authority has been made by the Foreign-Trade Zones Board for the establishment of a general-purpose foreign-trade zone in Philadelphia, within the Philadelphia Customs port of entry.

The general-purpose zone consists of three separate sites on the Delaware River waterfront. The facilities include a two-story pier shed, a three-story bulkhead shed and some 10,000 square feet of land space at Pier 78 South; three existing warehouses totalling about 250,000 square feet at Pier 78 South-Annex; and a 24-acre open storage yard at Pier 98 South-Annex. The zone is adequately served by all modes of transportation. The zone will be operated by the Port as part of its efforts to attract new business.

Foreign-trade zones are areas under U.S. Customs supervision into which foreign merchandise may be brought without the usual immediate formal Customs entry. The goods may be exhibited, stored, assembled, or used in manufacture within the zone, and duties need not be paid unless and until the goods or their end products enter U.S. Customs territory from the zone.

U.S. 'SELL IN VENEZUELA' EVENTS SPUR BRISK SALES, AFFIRM MARKET DYNAMISM

"Sell in Venezuela," a special U.S. export promotion campaign launched last year by the Commerce Department, continues in 1978 and 1979 with four U.S. trade fairs each year in the new U.S. exhibition facility in Caracas. Early reports from the first of the 1978 shows—electric energy systems, just concluded—indicate that with results from several exhibitors still outstanding, the participants had racked up $300,000 in floor sales, and are expecting to close another $12 million during the next 12 months.

Venezuelan industry last year enthusiastically attended the first four exhibitions in this promotion series: Metalworking machinery, telecommunications, instruments and process controls, and business equipment and computers. The successful conclusion of these shows, the volume of sales during the exhibitions, and the astonishing projections of future sales as a result of this promotion, all reflect the dynamism of the oil-rich Venezuelan economy and the potential for U.S. export business there.

Instruments attract buyers

The two year-end exhibitions, like the two opening events reported in *Commerce America* last fall, underscore the strength of sales prospects for the products displayed. At the show centered around instrumentation, process controls, pumps and compressors, the market—expected to reach $32 million by 1979—proved especially strong in the following categories: pressure and temperature transmitters, controls and transducers, spectrometers, remote control water meters, flow controls and meters, butterfly and ball valves, moisture analyzers, electronic measuring and control, laboratory test equipment, solid state multimeters, rotary and centrifugal pumps, telemetering equipment, computer controlled process equipment, automatic pump controls, and lined valves.

Most of the attendants were representatives of the petroleum industry, followed by those from the water/sewage sector, the metals industry sector, the chemical/petrochemical sector, and the power companies. Besides strong off-the-floor sales, the 41 exhibitors projected sales volume for the next 12 months at $6.6 million as a result of the promotion. Four exhibitors, looking for representation in Venezuela, were provided with 36 candidates identified by the exhibit team. Of special interest to the visitors was a series of seminars held by such companies as Honeywell, DuPont, Taylor Instruments and Metromation.

More than 2,000 registered visitors toured the exhibition of advanced business equipment displayed by 37 participants. Venezuela's demand for advanced equipment is expected to top $140 million annually by 1979. Heavy interest by U.S. manufacturers is especially related to the fact that demand for more sophisticated equipment will almost double the share of imports from the United States by 1980. Venezuelan industry's interest and preference for U.S. equipment was also demonstrated by the high number of agent/distributors looking for U.S. accounts. Some 60 such companies competed for seven representation contracts offered by exhibitors. More than $800,000 in sales were contracted during the event, with a very significant $13.1 million to follow in the next 12 months. Heaviest interest revolved around such equipment as minicomputers, intelligent terminals, data entry systems, CRT terminals, electronic handheld calculators, microfilm equipment, optical character readers, diskettes and disk packs.

These successful events, like those held earlier, were in the new U.S. exhibition facility, the Edificio Thomas Alva Edison. This temporary facility, built especially with the requirements of a series of U.S. exhibitions in mind, has 15,000 square feet of exhibit space, including storage, office and lounge/conference facilities. As it was designed for this purpose, there are practically no limitations on size or weight of equipment that can be exhibited. Another 16,000 square feet of outdoor space is available for heavy equipment shows, such as construction, agriculture, mining and petroleum. The building has been fully air conditioned for the 1978 events.

The 1978 series of events in the Edison building, in addition to ENERGIA '78 already mentioned, will be: LA VIDA MODERNA, an exhibition of consumer products ranging from mopeds to aircraft, May 16-20; GRAFIQUIPOS '78, U.S. printing and graphic arts equipment, June 27-July 1; and PLASTI-QUIPOS '78, plastic and rubber production equipment and materials, Sept. 5-9.

Preregistration now for '79

Very heavy industry interest is already evident through the large number of preregistrations that have been placed for the 1979 series of exhibitions: PETROVANCE–VENEZUELA, Jan. 23-27, includes offshore/onshore exploration, drilling, production, transportation, storage and refining; AGROINDUSTRIA, June 4-9, agricultural machinery and equipment; CONSTRUMINERO, Aug. 7-11, materials handling, mining and construction machinery and equipment; and MEDISISTEMAS, Sept. 11-15, health care delivery systems and equipment. As with the 1977 exhibitions, the 1978/79 series is expected to sell out all available space early. Interested companies are therefore advised to preregister now for the 1979 events.

The Department has also participated in more than 30 domestic "Sell in Venezuela" seminars throughout the United States. These seminars, designed to introduce U.S. manufacturers to the market opportunities, continue with presentations in Mobile, Ala., April 24-25; New York, May 10-12; and Miami, Fla., May 24-25. Information on these seminars is available from the Commerce Department District Offices in or near these cities.

U.S. companies interested in taking part in any of the U.S. trade fairs in Venezuela should contact Hans J. Amrhein, ITA/OIM, Room 4036, U.S. Department of Commerce, Washington, D.C. 20230; telephone 202-377-2332/2995; or any Commerce District Office.

ELECTRONIC COMPONENTS FROM U.S. COMPETITIVE IN SCANDINAVIAN MARKET

That 54 agency and distributorship agreements were signed or under negotiation by the end of a recent U.S. exhibition in Stockholm attests to the attractiveness of the electronic components market as observed by the show's participants. Actual sales of $308,500 at the Trade Center event, and a 12-month projection of almost $5.9 million, confirm research that indicates continued competitiveness of U.S. products in this highly specialized market. Thirty-one companies representing the products of 70 U.S. exhibitors participated. Trade visitors came from all of the Nordic countries.

Among the products considered to have the best potential were resistor networks, microprocessors, integrated circuits, semiconduction memories, built-in test equipment, transistorized amplifiers, oscillators, capacitors, aerospace toggle switches and relays, data conversion modules, solid state relays, panel instruments, keyboards, antennas, and bonding equipment.

Competitive pricing of American products was seen as a positive factor on a number of products; for example, elapsed time indicators, thick film materials, miniature switches, RF coils, potentiometers. High price was mentioned as a negative factor on a few. About a third of the exhibited products were noted as having superior technology, which contributes to the sales potential.

Because of tariff differences, components from Western Europe are becoming relatively cheaper to Scandinavian users. This situation has been offset until now by the declining value of the dollar; however, if the difference were to become sev-

eral points more in favor of European components, there would undoubtedly be a shift in sourcing—at least where large volumes are involved, according to the U.S. Embassy.

About 45 percent of Swedish electronics production and export are in telecommunications, and this concentration is likely to increase.

Two practices by some American manufacturers in distributing electronic components have been reported as annoying to their agents: turning all distribution over to a separate export agent firm which prevents the Scandinavian import agent from having direct contact with the producer's management; and allowing distributors at various points in the distribution channel to sell directly to customers in competition with local agents.

ELECTRIC ENERGY NEEDS IN FAR EAST SIGNAL PROSPECTS FOR U.S. SALES

A compact, knowledgeable group of U.S. executives returned from the Far East recently, projecting business for their companies running into $180 to $330 million in the next 12 months. The group was conducting electrical energy systems seminars in the Philippines, Hong Kong, and Taiwan.

The seminar mission, organized by the Commerce Department, was comprised of representatives of U.S. companies supplying the most recent technology, equipment, and services having to do with electric power. Their presentations focused on power plant design and construction costs, fossil fuel and hydroelectric power generation, pumped power storage, turnkey nuclear power facilities, electrical energy conservation, and pole maintenance.

All of the countries visited have substantial electric power needs, and all are planning expansion in their generating capacities. Conversations with utilities officials pointed up that transmisson and distribution equipment also had a high priority.

In Manila, the seminar was opened by the Philippine Secretary of Energy, who described the needs of the country's energy sector. Interest by both the government and the business community showed that the market is ready for additional penetration by U.S. firms.

The National Power Corporation (NPC) of the Philippines has the sole responsibility for generation, transmission and distribution of power in the country. NPC's long-range objective is to develop alternate sources of power, as it is presently 95 percent dependent on oil-fired thermal plants. It plans to construct hydro, geothermal and coal fired plants, and to continue to develop nuclear power facilities

ROUND-TABLE EXCHANGE—*Electric energy seminar mission in Manila held discussions with Philippine industry, government officials. Above, right, Seminar Chairman William Henoch; on his left, two National Power Corporation executives.*

—a program encompassing several major projects.

The National Electrification Administration (NEA) has initiated a program to electrify every barrio and is organizing cooperatives to manage the systems. Procurement requirements include pole line hardware, insulators, conductors, and accessories, protective equipment, meters and transformers, street light equipment, pole line tools and substation equipment. The Manila Electric Company's expansion plans include transmission lines, substations, testing and communications equipment.

Mission members expressed surprise at the degree of interest displayed during the Hong Kong stop, and some are considering returning within the next few months to follow up on prospects. Forecasts indicate that 1400 MW of additional generating capacity will be required in Hong Kong by 1986. Three new-town development plans have been scheduled for completion by 1980. There are also plans for establishment of an industrial estate to upgrade technological levels by 1981. The Hong Kong Electric Company plans to build several additional substations, equipment for which will be ordered as needed.

But it was in Taiwan that the market was of the most immediate interest. With a favorable balance of trade with the United States, Taiwan is making a direct effort to purchase more from this country, presenting American manufacturers with an excellent opportunity to enter the market. Intense industrialization has placed Taiwan in the position of needing balanced production capacity and a sophisticated distribution system.

As part of the Taiwan Government's efforts to reduce the Island's dependence on oil, the Taiwan Power Company (TPC) is investing heavily in nuclear power plants, and contracts for all generators and reactors have been won by American companies. Sales of U.S.-made electrical power equipment are projected to exceed $85 million in 1979.

As the Taiwanese electric power equipment industry is young and relatively undeveloped, virtually all production is confined to small unsophisticated equipment. The United States historically has accounted for over half of the import market.

Members of the seminar mission were: Douglas L. Miller, Allis Chalmers; Stig-Ove Hansen, Osmose Manufacturing; Peter Crooks and John A. Damm, Bechtel Power; and Arthur Lotz, Ebasco Services. William Henoch, Far East Regional Representative, U.S. Department of Energy, Tokyo, chaired the seminar sessions. Paul Harder of the Commerce Department's Buffalo District Office served as coordinator.

Airport Construction Fair Set For Fall In Frankfurt

The 2nd INTER AIRPORT, an international fair and convention for airport construction, terminal facilities, and ground equipment, will be held at Frankfurt Airport Sept. 26-29. More than 2,000 business visitors from 48 countries attended the first such show last year, at which 70 exhibitors displayed their products. Exhibition space is to be doubled this year. The fair is now being planned as a recurring biennial event. Contact: INTER AIRPORT, Erzberstrasse 83, 6700 Ludwigshafen, Fed. Rep. of Germany.

USSR SCALES BACK GOALS AFTER LAGGING START TO TENTH ECONOMIC PLAN

Measured against the objectives set for the Tenth Five-Year Plan, the overall economic results of 1976 and 1977 have surely disappointed Soviet leaders. A number of important 1977 indicators now point to a difficult year for the Soviet domestic economy in 1978, reports the U.S. Embassy in Moscow.

The Tenth Five-Year Plan (1976-80) took Soviet economic development strategy into a new stage. While still placing great importance on quantitative growth, it called for significantly more emphasis on improved quality and on efficiency in production. For this reason and also because of the continuing effects of two very poor harvests during the Ninth Five-Year Plan (1971-75), the Tenth Plan targets were set at more modest levels. The priority for heavy industry has been reinstated, but investment in agriculture retains a prominent place, and improving living standards continues to be a highly prized political goal.

Soviet planners are looking to increased factor productivity, automation, and imported Western equipment and technology to spur more rapid economic growth. The rate of new investment is to fall, and more emphasis is to be placed on completion of projects and reconstruction and reequipping of existing plants rather than on new starts. The Plan is taut and success will depend heavily on increased efficiency, better management techniques, and more economic use of material resources and labor.

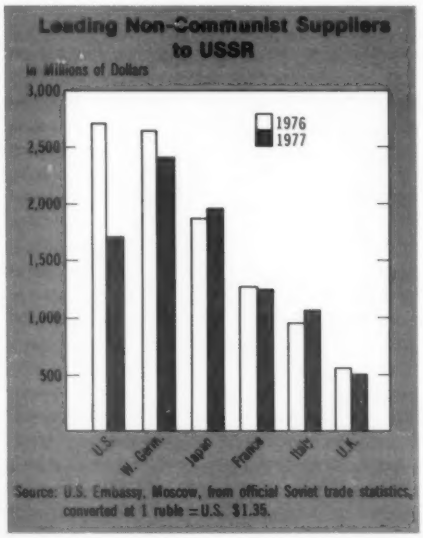
Soviet leaders can hardly have been encouraged by the overall economic results of 1976 and 1977. Industrial growth rates exceeded the plan target in both years, but they were still the lowest since World War II. The backlog of uncompleted construction rose, transportation shortcomings continued unresolved, and labor productivity lagged seriously. In agriculture the record grain harvest and poor livestock performance of 1976 were succeeded in 1977 by disappointing grain results, albeit about equal to their third largest crop, and much recovery in the livestock sector. Hard currency expenditure for grain will therefore again be high in 1978. The problems were so serious that the plan for 1978 had to be substantially revised.

The spartan economic plan for 1978 abandons the original Five-Year Plan goals for the year and outlines a slowdown in economic growth, with 1978 Annual Plan industrial goals almost without exception scaled back significantly. For example, industrial growth rates—overall, producer goods, and consumer goods—are cut by about one-quarter, and heavy industry is to grow at what may be the slowest rate since World War II.

Apparently less than sanguine about the prospects for efforts to raise labor productivity through a combination of moral incentives and exhortation, the planners have increased the growth rate for state capital investment 30 percent above the original target, and it now stands at 3.4 percent. As the backlog of uncompleted construction increased faster than investment did in 1977, a further increase in the rate of investment looks like a clear admission that construction will remain a significant bottleneck in 1978 as well. The difficulties Soviets experience in building and equipping factories lead to a presumption that there will continue to be an important demand for Western industrial equipment for priority industries despite hard currency stringencies imposed by the need to import larger amounts of grain in 1978.

Even to achieve the new, lower targets, a major effort will be required to 1) raise stagnating steel production, 2) stop the growth of unfinished construction, 3) substantially increase the output of oil from West Siberian fields, 4) achieve major efficiencies in the use of material inputs, especially energy and metals, and 5) raise the productivity of labor, a critical factor now because of stringencies on the growth of the labor force and on new investment funds. Finally, agricultural success looks to be more than usually dependent on good weather, which has been occurring in about three out of every 10 years. This confluence of factors is putting increased importance on management both at the national and at the plant level. No major reform of the Soviet economic system appears to be on the horizon, however, although administrative tinkering with the "success indicators" will no doubt continue.

The Soviet Union's total two-way foreign trade in 1977 reached about 63 billion rubles (US$85.9 billion at the 1977 average exchange rate of 1 ruble=$1.356), up 11 percent from the previous year.



Soviet foreign trade statistics for 1977 show that the Soviet Union continued to improve its trade balance with most of the industrial West (Japan being an outstanding exception). Its hard-currency deficit was $2.4 billion compared to $5.5 billion for 1976. The improvement in the trade balance was achieved generally by increasing hard-currency exports and reducing hard-currency imports. Soviet invisible earnings, gold sales and Western credits will more than cover the hard-currency trade deficit.

According to Western sources, total Soviet hard-currency debt at the end of 1977 stood at approximately $16 billion.

Potential demand for imported industrial products traditionally exceeds the USSR's hard currency resources. The gap may be substantial in 1978 as, once again, the necessity to import an incremental amount of Western grain to meet shortfalls in the 1977 harvest is added to the Soviet obligation to purchase a minimum of six million tons of U.S. grain annually. Since there is a close, if not direct, correlation between grain purchases and the USSR's ability to sustain or increase its purchases of non-agricultural manufactured goods, it would not be surprising to see a continuation of the downward trend in U.S. exports of manufactures to the Soviet Union. This downward trend has also affected most other Western countries and stems in part from a cutback in Soviet imports of machinery and equipment from developed Western countries.

The United States has been affected more than some others, however, a fact which is explained in part by a Soviet tendency to balance bilaterally in its foreign trade. The United States currently exports several times as much to the USSR as we import from that country in value terms, so the Soviets seek to hold down imports from the United States. Moreover, the lack of U.S. Government-backed credits to assist U.S. firms in financing trade with the Soviets and the lack of Most-Favored-Nation tariff (MFN) status for Soviet exports to the United States are factors which will continue to impact negatively on bilateral trade prospects in 1978.

At the present time the U.S. Export-Import Bank is prohibited from supporting American export sales to the USSR with loans or guarantees. The Soviets will probably continue to insist on credits for compensation projects (see below) and many other large sales, but U.S. firms should be able to conclude most smaller deals (below $5 million) either on a cash basis or on short- and medium-term credit through commercial banks. American banks have usually shown an interest in

participation where financing is necessary, but Soviet officials claim that U.S. firms have lost a considerable volume of orders to foreign competitors because the more favorable Exim financing was not available. This claim is difficult to confirm and is probably exaggerated, but it can probably be safely said that some Soviet contracts were awarded to our competitors because of this factor.

While tariffs do not have any demonstrable effect on Soviet imports, there are substantial non-tariff barriers and means of discrimination. For example, one ranking Soviet official predicted that during 1977 the USSR would restrict its purchases from American sources to half of what they were in 1976 and continue that policy into 1978 as well. This year a Soviet trade official predicted that our non-agricultural exports will decline—eventually—to the point of vanishing. Although an overall drop of 30 percent was in fact experienced in U.S. shipments to the USSR in 1977, there were many outside factors at work in the Soviet economy, e.g., poor harvest, hard currency stringency, general drive to reduce imports, etc., which probably had as much to do with our declining trade results as the official statement of intention referred to above.

The above considerations notwithstanding, there are some bright spots in the picture which may work to improve the prospects for U.S. sales to the USSR during 1978. In the first place, the significant fall in value of the U.S. dollar against most major Western currencies (off an average of 4.5 percent in 1977), including the Deutschemark and the Yen, should improve U.S. competitive pricing abroad. Secondly, most Soviet economic sectors marked for priority development under the 1978 Plan coincide with areas where U.S. equipment and technology is considered superior in quality. Such sectors include oil and gas exploration and development, chemical and petrochemical production and processing, agriculture machinery and food processing, ferrous and non-ferrous metallurgy and ore extraction, electronic data processing, and instrumentation and controls for plant automation with special emphasis on development of advanced machine tools—including those equipped with numerical controls. These are areas in which the USSR generally does not domestically manufacture producer goods of world quality. As a rule of thumb, if an American firm is now successfully meeting Japanese and Western European competition in these product sectors in other world markets, the firm has favorable prospects for sales to the USSR.

The longer-term outlook is dependent on a number of variables, such as a continued high level output of Soviet oil. The Soviet leadership has announced its intention to take greater advantage of the "international division of labor", but it has not yet been prepared to make the sort of economic reforms long practiced in Eastern Europe. Equity investment is still excluded for ideological reasons. Soviet officials are looking for ways to forge closer contact with Western companies, but the situation is in a state of flux.

VISITING SOVIET OFFICIALS—*A high-level trade delegation from the USSR recently toured Cameron Iron Works facilities in Houston and Cypress, Tex. Deputy Chairman A. M. Lalayantz of* GOSPLAN *is shown inspecting a Cameron valve.*

One prominent possibility much advocated by Soviet foreign traders is the development of so-called compensation projects, where Western firms sell complete industrial plants to the USSR on credit terms and receive payment in product after the plants come on stream. Some U.S. firms are now exploring possibilities with the Soviets for projects which are self-financing through exports. The biggest potential problem appears to be quality control of the end product, and here Soviet officials have yet to come up with a formula acceptable to seriously interested U.S. firms. Compensation agreements in high technology areas also seem less likely as profitable ventures for Western firms due to relatively long periods before implementation; by the time the new Soviet plants come on stream some 5-6 years after consummation of the agreement, the product could very well be outmoded and thus difficult to market in the West. Nonetheless, the Ministry of Foreign Trade has a Main Administration for Compensation Projects to coordinate its activities in this field, while the State Committee for Science and Technology (SCST) recently established a Main Administration for Scientific-Industrial Cooperation, which will attempt to match up projects with interested Western firms.

Soviet leaders also look to the development of scientific-technical "cooperation" with Western companies. There appears to be some official dissatisfaction with the slow pace of work under most of the scientific-technical agreements already signed between American firms and the SCST. The State Committee still hopes these and other agreements with Western firms will lead to more concrete results. Recognizing that the USSR has had difficulty converting scientific discoveries into viable industrial processes, they may be interested in turning over promising discoveries to Western companies for exploitation in exchange for products and/or industrial processes which are developed.

Virtually all Soviet purchases of American products are made by foreign trading organizations subordinate to the Ministry of Foreign Trade at the request of industrial ministries which use the imported products. Concerned about the inefficiencies in this cumbersome system, Soviet officials have been considering for some time possible organizational changes which may increase the role of the industrial ministries in foreign trade. While it is not yet clear whether such decentralization of decision-making will take place—or how far it may go if it does—Americans would be well advised to put renewed emphasis on contacts with potential end-user ministries in developing business.

The U.S. Commercial Office in Moscow plans the following technical seminar/mini-exhibits: in 1978, geophysical exploration, May; environmental pollution control (air and water), June; special oil extraction, September; plastics production technology and equipment, October; food processing, November; and ferrous metallurgy, December. In 1979, packaging equipment, January; electrical energy control systems, February; and mining equipment, March.

In addition, the U.S. Department of Commerce will participate in two international exhibits in Moscow in 1978—agricultural machinery, Aug. 31-Sept. 14, and scientific apparatus, Oct. 13-23.

Interested firms may contact the Trade Promotion Division, Bureau of East-West Trade, U.S. Department of Commerce, Washington, D.C. 20230, or the U.S. Commercial Office, American Embassy, Moscow, APO New York 09862.

NIGERIA'S IMPORT NEEDS CAN HELP U.S. SUPPLIERS NARROW HUGE TRADE GAP

Nigeria's oil-fueled boom is settling down to a more sustainable pace as the country struggles to contain inflation and expand its infrastructure to suit development goals and aspirations, according to the U.S. Embassy in Lagos.

Although petroleum exports to the United States continued on an upward trend, lower overall oil revenues caused by weak world market conditions held economic growth to about 5 percent in 1977, compared with the 8 percent averaged for most of the decade. Imports necessary for development promise to keep the balance of payments in deficit for years, but the country's good credit rating should help maintain monetary reserves.

At midway point, the 1975-80 Third National Development Plan is clearly too ambitious for the country's financial resources under recent high inflation rates. It is being whittled down, but many badly-needed projects, particularly super highways, ports and airports, are at or near completion and beginning to decongest the economy. At the end of 1977, only 43 ships waited for berths at Lagos, equal to about 10 percent of the armada at anchor two years earlier.

Looming over the economy for 1978, however, is the prospect of greatly reduced government spending. Commitments for ongoing capital projects already exceed available funds and the Federal Military Government appears determined to close this gap by deferring new contract awards. Another pressing problem is inflation, continuing at an official 25 percent, but probably considerably more.

Investment is reviving after 18 months in the doldrums. Long-overdue incentives for oil companies promise to reverse the dip in exploration and development and result in expanded production and earning capacity in the early 1980s. Foreign investors in non-oil sectors are scrutinizing possibilities in the light of indigenization and foreign exchange restrictions, and at least some find the new environment attractive. Relative political stability, continued steady progress toward civilian rule in 1979 and growing awareness of Nigeria's economic potential appear to reassure investors.

Nigeria's oil exports have moved it up from 52nd to fifth place among U.S. overseas suppliers in only six years. As the accompanying chart shows, Nigerian shipments to the United States far surpass movement of goods in the other direction. This massive U.S. deficit in trade with Nigeria provides American exporters with ample room to expand exports to that country. Knowledgeable Nigerians see the United States as a leading and, in some specialties, the only source of technology, managerial expertise and food supplies.

If the recent 15-day Lagos International Trade Fair is an indicator, U.S. sales to Nigeria will be rising. The 35 firms in the U.S. Department of Commerce pavilion reported direct sales of $41 million and projected sales in the next year of a whopping $360 million. The latter figure may be over-optimistic but the direct sales figure is four times the previous record for a Commerce Department trade fair participation.

With a Gross Domestic Product of $30 billion, a real growth rate of 5-8 percent and nearly 80 million consumers, the Nigerian market is one of the largest in Africa. It reaches into most of the surrounding nations, a pattern which will accelerate with development of the Economic Community of West African States (ECOWAS), the region's nascent common market. Although the Nigerian Government owns or controls a good share of the economy, Nigeria's private sector—agriculture, construction, distribution and manufacturing—comprises more than half of the economy and is expected to invest $18 billion from 1975 to 1980.

Exchange Of Visits

The visit of President Carter to Nigeria last month following Nigerian Head of State Obasanjo's trip to the United States in October is symbolic of recent improvement in U.S.-Nigerian relations. High level economic discussions have also been held between the United States and Nigeria for the purpose of analyzing and reducing impediments to further trade and investment between the two countries. Although many of the major problems have not been solved, there is a positive desire on the part of both governments to improve the atmosphere for business.

A new critical factor, however, is the government's realization that it now faces a serious financial challenge in which the cost of ongoing capital projects significantly exceeds available funds. This situation can well result in the postponement or cancellation of sizable new government contracts during much of 1978. Government buying would be severely reduced, leaving most purchasing with the private sector.

Despite absolute prohibitions on luxury goods and some not so luxurious items like canned foods, Nigeria's imports have been expanding rapidly, growing by 35 percent in the first half of 1977 compared to the first half of 1976. Imports approached $10 billion for FY77, but predictions for 1978 are uncertain because of retrenchment in government purchases. Normally capital goods comprise about 70 percent of imports, consumer goods about 30 percent.

Of particular importance for the future is anything connected with transport equipment. Trucks, buses, automobiles under 2,000 cc., motorcycles and parts all bulk large in the accounts.

Heavy construction equipment potential remains strong but will wane if roadbuilding contracts ease off. Fertilizer is a market of some $45 million annually. Durable consumer goods are in increasing demand. There is a fertile market for generators, from household units to factory size, as reliable electric power supplies fall short of needs.

Also noteworthy is the accent on development of water resources. Borehole drilling services and equipment as well as pumps, compressors and other supporting items enjoy mounting demand. Suppliers should check with the Federal Ministry of Water Resources and with the ten new River Basin Commissions established around Nigeria.

Many of the major projects announced in the 1975-80 Development Plan presumably will move ahead now that overseas financing is secured. A recently-negotiated $1 billion Euro-dollar loan from a consortium of banks was the first in a series which is expected to total $4 billion by 1981.

World Bank assistance could also come in agricultural and energy. Among other things, loans will cover a petrochemical complex, nitrogenous fertilizer plant, additional port facilities at Lagos and Port Harcourt and several electric power and telecommunications projects, including a dual-fired thermal power plant for the Warri steel mill. Such projects hold numerous opportunities for American firms.

Several large projects which were moving ahead before the loan are now reaching the implementation phase. These include design and construction contracts associated with the upcoming $5-6 billion liquefied natural gas plant planned for the southeast. Contracts have finally been awarded for survey and design on the project to upgrade the railroad from narrow to standard gauge between Port Harcourt and the planned steel mill at Ajaokuta. Long in the offing, the Ajaokuta blast furnace will result in construction of an industrial city with infrastructure on virgin land along the Niger River.

Further up the river, the New Capital City project, master-planned by an American consortium, is being pushed rapidly. Like the Ajaokuta steel mill, it will generate numerous infrastructure projects in a sparsely-settled area. The Federal Capital Development Authority charged with building the city hopes to move to its Abuja base camp this month.

In a few decades, the Niger and Benue river system may begin to resemble our

(continued on page 22)

COMMERCE UPDATE
ON THE DOMESTIC SCENE

COST OF FEDERAL REGULATIONS—The Commerce Department is developing a "regulatory budget" to provide an analysis of all Federal regulatory activities and their influence on private expenditures, Secretary Kreps has informed Congress. The budget would show policy makers and the public the direct Federal and private costs of regulations, their benefits, how they affect specific economic sectors, how to judge their cost-effectiveness and how to set priorities for them.

SPECIAL CITY CENSUSES—A total of 145 municipalities asked the Census Bureau to conduct special censuses during the first half of 1977. The largest was Fort Smith, Ark., which had a 1977 population of 68,006. A special census is usually conducted at the request and expense of a local government, and is often intended to update the population base for State tax fund allocations.

DECLINING FARM POPULATION—The U.S. farm population continues its long decline, to an estimated 7,806,000 persons in 1977. There were about 400,000 blacks on farms in 1977, down from 850,000 in 1970; they are now only about 5 percent of all U.S. farmers. The Census Bureau—Department of Agriculture report containing these figures also shows a sharp decline in number of farm children, down nearly 38 percent since 1970 for those under 14.

WHOSE INCOMES ARE RISING?—A new Census Bureau study of income changes in the Northeastern states shows a striking increase in income by "unrelated individuals"—persons living alone or not with relatives. From 1969 to 1975 the median income in this group rose by 33 percent in real terms, while the similar figure for families declined by 2 percent.

FEDERAL PROCUREMENT CONFERENCES—The business communities in western New York and Connecticut are invited to meet with procurement specialists from Federal military and civilian agencies and Federal prime contractors. For the conference at the Niagara Falls Convention Center in Niagara Falls April 28, Richard T. Lee, an Assistant to Rep. John J. LaFalce, has details on 716-842-2880, and for the other, at Howard Johnson Conference Center, Windsor Locks, Conn., May 5, Walter Rapp, Special Assistant to Rep. Toby Moffett, has details on 203-224-7186.

STUDYING BEACH EROSION—A $1,260,000 grant from Commerce's National Oceanic and Atmospheric Administration to Florida's state university system will fund a study on how to predict storm-caused beach and dune erosion. Field tests and laboratory experiments will assess the affect of high water levels, increased wave activities, beach composition, storm duration, and effect of repeated storms.

AMERICANS ON THE MOVE—About 20 percent of the 74 million U.S. households moved during the year that ended in October 1976, according to a Census Bureau-HUD housing survey. Renters were the busiest movers, with 38 percent changing residences. Only 10 percent of homeowners moved. Mobility was highest in the West, where 26 percent of all households were occupied by recent movers, and lowest in the Northeast, where the comparable figure was 15 percent.

PRODUCT LIABILITY CLAIMS—The Commerce Department has proposed a Federal tax change to permit businesses to set aside a portion of their pre-tax income as a reserve for self-insurance against product liability claims. This could lead to lower liability insurance premiums by encouraging small businesses to use higher deductibles.

BLACKS LEAVING NORTHEAST—The U.S. Northeast saw 147,000 blacks leaving between 1975 and 1977, while 43,000 moved in. This is one of the significant changes from long-standing patterns seen in a new Census Bureau study "Geographical Mobility: March 1975 to March 1977" Series P-20, No. 320 available from the Supt. of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402.

COAL MONITORING PROGRAM—With settlement of the coal strike, the Commerce Department this month terminated its requirement of coal exporters for weekly monitoring reports on movement of U.S. bituminous coal and coke of coal.

Rapid Growth In South And West Narrows Regional Differences

This article was written by Chief Economist Courtenay Slater in collaboration with staff economist George McKittrick.

Dr. Slater

Economic imbalances among geographic regions are receiving increasing attention today. In part this is because these regional disparities have become more evident as the general level of national prosperity has risen. In early 1975, massive unemployment and falling output were acute problems virtually throughout the United States. Today, some regions or areas have returned to high levels of prosperity, while others appear to lag badly behind. In addressing these imbalances, the effects of long-term structural shifts in the economy need to be understood. These longer-term trends have reduced some geographic differences while accentuating others.

Perhaps the most widely perceived regional trend has been the acceleration of economic growth in the South and West and the coincident decline in economic eminence of the Northeast. As shown in the first chart, the period from 1950 to 1975 witnessed a marked reduction in regional differences in real per capita personal income levels. Underlying the convergence of incomes were two noteworthy phenomena: increasing industrialization of the South, and the continuous decline of farm population, both of which figure significantly in determining patterns of population migration.

For a number of years the South's industrial gains had been concentrated in relatively low-skilled nondurable goods manufacturing. The available labor pool, nonunion wage scales, and transportation facilities were attractive to industries such as textiles. In recent years, growth of a broader mix of industries has been fostered by an improved economic infrastructure, the increased importance of Gulf States' energy industries, and growing urban areas that seem comparatively free of the problems of their Northern counterparts. In contrast to the out-migration of the 1950's, the South experienced population gains through migration in the 1960's and these gains have accelerated sharply in the 1970's.

The chart on shares of manufacturing employment indicates the extent of industrial growth in the South. Between 1956 and 1976, manufacturing employment as a percentage of the Nation's employment remained roughly constant. However, the South's share of manufacturing rose by 8 percentage points while the Northeast lost 8 points, leaving the South with a larger share than the Northeast.

Farm population has been falling for decades, although in the 1970's the rate of decline has slowed somewhat. Mechanization of agriculture in the South played an important role in the massive net migration of rural Southerners, a large number of whom were blacks, to Northern urban areas. Recent evidence suggests that in this decade net black migration from the South to the North has slowed dramatically, or halted completely, reflecting the slowing of farm population decline and improvements in economic opportunities and the civil rights atmosphere in the South.

Examination of economic performance by region over the past four years provides ample evidence for the heightened concern over imbalances in growth rates.

All four regions experienced sharp recession-induced rises in unemployment between 1973 and 1975, and relatively slower downward movements over the next two years. The unemployment increase in the Northeast was sharpest and its decline least pronounced. The chart on employment changes reveals that despite the recession, the South and West registered modest gains between 1973 and 1975. Over the past two years the Northeast has lagged behind the rest of the country in employment growth, while the South has shown a dramatic rise.

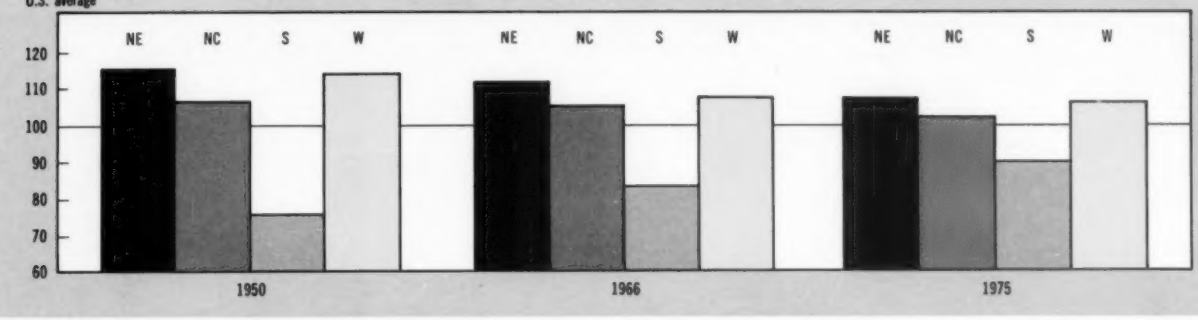
A considerable amount of commentary has focused on the need for greater capital formation to help achieve a number of economic objectives. The figures on industrial construction spending by region between 1973 and 1976 show sizable declines in the North—even though it has an older capital stock—and large gains in the South and West.

Housing starts were depressed severely in all regions between 1973 and 1975, with the sharpest declines in the Northeast and South. Over the past two years, the West has had the most spectacular gain while the North Central and South have recovered considerably. The Northeast has again lagged behind other regions.

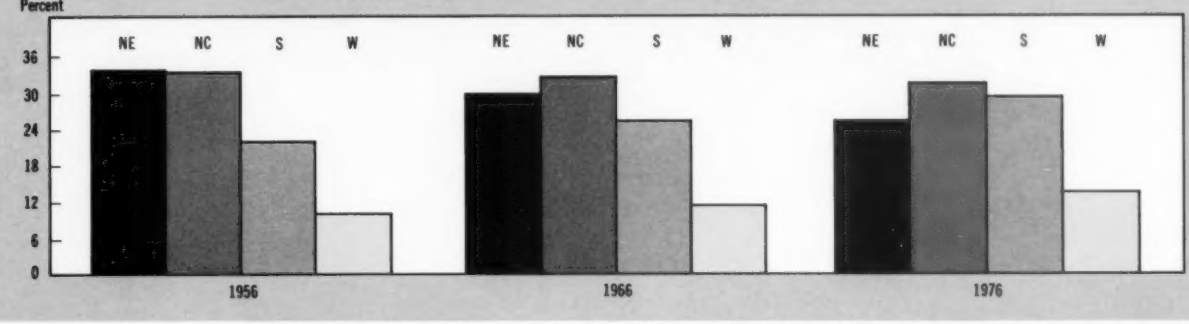
There seems to be ground for the popular assertion that long-term shifts, while partially insulating some regions, have increased the vulnerability of the Northeast to cyclical downturns. The quadrupling of prices of imported crude oil and other energy-related events also probably have had greater adverse impact on Northern areas than on the South and West. In contrast, some areas of the South and West must cope with the social and environmental problems brought on by sudden rapid growth.

The White House Conference on Balanced Growth in January brought together 500 individuals representing a broad sampling of American thought. Although there were conflicting views on the precise role of the Federal Government in influencing regional growth, there was general agreement on the need for Federal policy-makers to take into account the impact of their actions on various areas. Subsequently, as part of the President's urban policy proposals, the Secretary of Commerce has been asked to take the lead in developing a better base of statistical information which will enable policymakers to identify local needs and measure the impacts of various Federal programs.

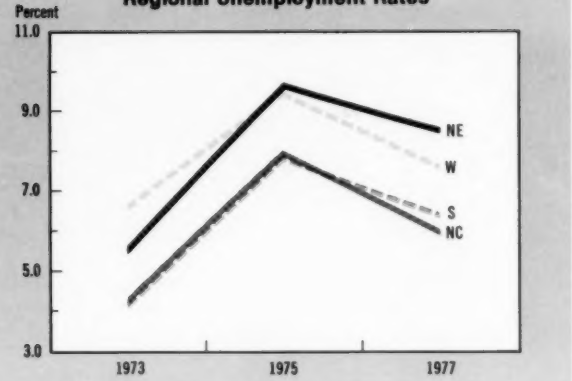
Per Capita Real Personal Income by Region



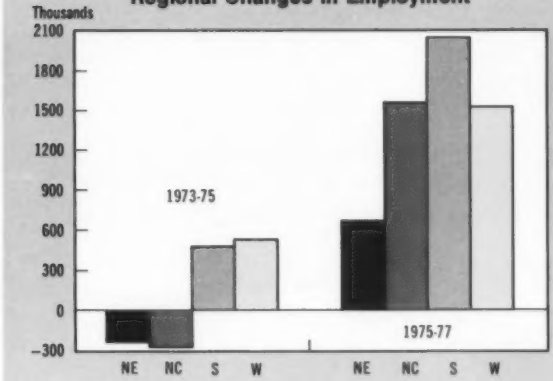
Regional Shares of U.S. Manufacturing Employment



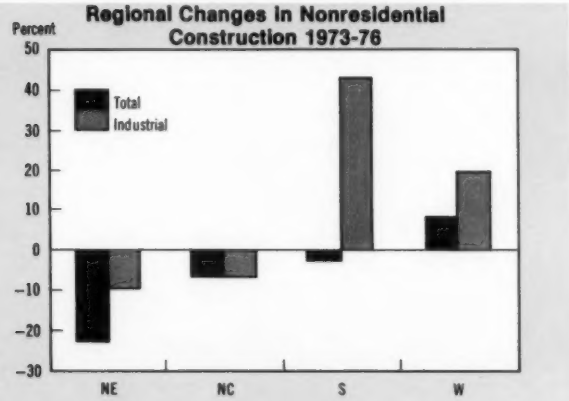
Regional Unemployment Rates



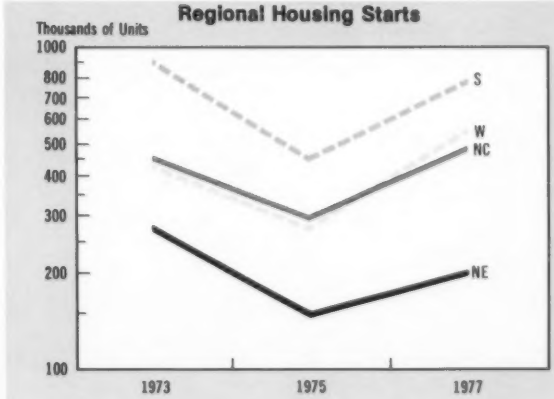
Regional Changes in Employment



Regional Changes in Nonresidential Construction 1973-76



Regional Housing Starts



NOTE: Census region NE-Northeast, NC-North Central, S-South, W-West.

(continued from page 18)

Mississippi-Ohio industrial heartland. This effort will require developing the rivers with navigation, power and irrigation facilities along with transportation and communications networks and new towns.

In addition to the 16 airports being enlarged or constructed under the current airport development program, as many as seven new airports with accompanying avionics are being considered for the New Federal Capital and new state capitals.

Renewed interest is evident in investing in Nigeria after the drastic indigenization decree (issued 1972, revised June 1976) and stringent foreign exchange controls virtually dried up capital inflow for 18 months. Half a dozen major American corporations are on the verge of announcing new joint ventures or are seriously investigating prospects. This stems from the interest generated by the Head of State's Washington visit and from the realization that Nigeria will inevitably become one of Africa's few industrialized nations by the end of the century because of its large domestic market and relatively favorable financial situation.

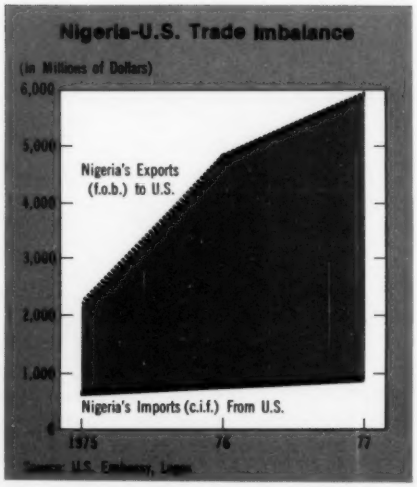
Nigeria is no place for inexperienced tenderfeet. While the environment is gradually improving, Lagos in particular is still a relatively difficult place in which to live and operate; a bustling, impersonal metropolis of about 3.5 million inhabitants harassed by utility shortages and all the problems associated with a developing country bravely trying to achieve everything at once.

Investors must anticipate lengthy delays in decision-making and sudden, almost capricious changes in regulations. In addition to formal indigenization requirements, the government lately has shown a decided preference for investment which brings in technology or expertise unavailable in Nigeria, in contrast to investment in such established fields as commerce and finance.

On the positive side, steps are under way to improve the environment for American investors. When a pending case is cleared, the U.S. Export-Import Bank is ready to resume making loans and guarantees for major projects. Also, the Overseas Private Investment Corporation is negotiating to ease procedures for the issuance of its political risk insurance. These programs will supplement existing Nigerian incentives such as income tax relief for public companies in pioneer industries, low duties on raw materials brought into Nigeria for manufacture, a quick writedown on capital assets and the erection of protective tariffs.

Specific investment opportunities abound. In the huge and booming construction industry, the handful of European firms there for several years find themselves with more work than they can handle. The American reputation was tarnished by the inept performance of a few unqualified firms hired hastily for crash projects, but is being restored by the solid performance of more experienced recent arrivals. There is room for many more good firms.

In agriculture the government seeks private firms to establish plantations and agro-allied industries and is having some success in signing up Americans. Given Nigeria's needs and ample agricultural land, this sector has rich possibilities.

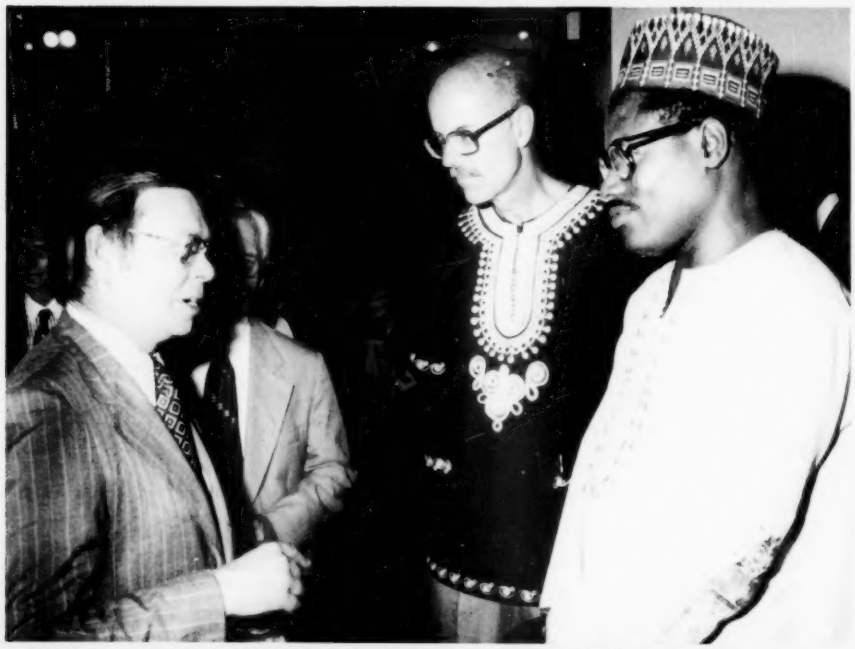


In the manufacturing sector, interest in self-sufficiency and import substitution creates a demand for technology and expertise in all sorts of fields. Glass containers, shipbuilding, refrigerators, airconditioners and more could be assembled in this booming, goods-short economy. The demand for truck bodies is enormous and yet the supply is limited to a few local firms using inefficient methods. The government is particularly interested in finding firms to establish an auto parts industry and already requires that the new vehicle assembly plants beginning operations now have 30 percent local content within 10 years. With the development of steel and petrochemical plants a great many support industries will be needed.

Since all enterprises must now include from 40 to 60 percent Nigerian ownership, the investor is obliged to find suitable partners, a task which requires careful investigation. The handful of well-established Nigerian entrepreneurs is often over-extended in new ventures but there are other, less known alternatives. Nigeria is a large country but many Americans never get beyond Lagos, missing out on the opportunities and less taxing environment of the country's diverse states and regions. Most state governments have industrialization plans and welcome foreign partners in a wide range of enterprises, including construction.

In the private sector, a recent development is the appearance of surplus capital in the coffers of established and successful but relatively unknown joint ventures. With profits high but required to remain in the country by exchange controls, some of these firms are considering new ventures and seek foreign expertise.

An American who decides to do business in Nigeria should keep a few simple rules in mind. In a nation with per capita in-



AT LAGOS INTERNATIONAL TRADE FAIR—*Erik Nordin, Zone Manager for Africa of General Motors, discusses his company's service policy with Mohammed Shuwa, Federal Commissioner for Trade. At center is U.S. Ambassador Donald Easum.*

come approaching $350, the tastes of the Nigerian consumers do not run to the exotic.

Technology is best kept simple and easy to maintain. For example, the manufacturers' need for materials handling equipment can probably be more efficiently met by a forklift truck rather than by a sophisticated conveyor system. For trade purposes, one must find an honest, reliable and aggressive Nigerian agent. They are indispensable even if one decides to establish an American in-country. To establish an American in Nigeria requires several hundred thousand dollars.

In pursuing a contract it is advantageous to include technology transfer and training as part of the package. The bid should meet the requirements stated in the tender even if they do not resemble specifications used in the United States. One should not be put off by the seemingly harsh non-performance clauses which often appear in Nigerian contracts. These are merely included to provide some leverage for the government against malfeasance. Many contractors in the past ran off with mobilization fees. They are rarely invoked for unavoidable delays.

Nigeria discourages trade with and investment in South Africa and is considering a secondary boycott of South Africa. Before complying, American firms should consult the Department of Commerce about recent U.S. boycott legislation, which contains strict penalties for participation in secondary and tertiary boycotts. Meanwhile, Nigerian embassies recently adopted a policy of refusing visas to travelers possessing South African visas.

Unless advised otherwise, one should deal only on a confirmed letter of credit basis, and should request financial and operating information about a prospective client through the Department of Commerce's World Traders Data Reports. Finally, one should follow up aggressively to see that the letter of credit is moved through the Central Bank. Otherwise a company can face delay in the repatriation of its money.

Overall relations between Nigeria and the United States are the most harmonious in many years. To reinforce and strengthen our ties and to make the most of opportunities, the American business community would be wise to put its best effort forward now.

AUSTERE NIGERIAN BUDGET REFLECTS RESERVE DRAIN

Long accustomed to spending on a broad front with its oil export revenues, Nigeria has recently realized that it is buying more than it can afford. Lack of coordination within the government, soaring domestic inflation, inordinate dependence on oil coupled with recent declines in petroleum revenues, unsatisfactory agricultural and industrial growth and excessive importation of "non-essential" goods are the major problems which the Nigerian Government addressed on the eve and the first day of its fiscal year beginning April 1.

Noting that the past year witnessed several achievements in the nation's five-year development plan, principally in infrastructure construction, the Head of State, General Olusegun Obasanjo, stated that efforts during 1978 would have to be consolidated due to budgetary constraints. Anticipating a continuing decline in oil revenues, the FY 1978 budget has been cut to the bone. The total 1978 budget is 8.0 billion Naira (U.S.$15.2 billion), of which $4.5 billion will be devoted to recurrent expenditures. This represents a total budget reduction of 7 percent in absolute terms over that of the previous year. Despite the austere budget, Obasanjo estimated that the Federal Government will have to raise $6.9 billion from internal and external sources to meet the current year's commitments.

Although exports of $12.8 billion and imports of $10.7 billion gave Nigeria a $2.1 billion trade surplus, an overwhelming services account deficit was primarily responsible for the 1977 calendar year balance of payments deficit of about $960 million and a resulting drop in foreign exchange reserves to about $4.8 billion.

In an effort to reduce the drain of foreign reserves, promote indigenous manufacture and protect infant industries, the budget message included a series of measures to curb imports of "non-essential" items. The list of goods prohibited entry has been expanded as well as the goods necessitating an import license (see list below left). In addition, import duties on a number of goods have been substantially increased, a port surcharge of 5 percent will be payable on all imports to aid development of Nigeria's seaports and airports, and importers of "non-essential" commodities are required to make a deposit equal to the invoice value with the Central Bank prior to importation. To further curb imports, the government will reduce bank credit allocations for imports from 10 to 8 percent.

To combat the effects of the spiraling rate of inflation (now unofficially estimated to be between 35 and 40 percent), and curtail excess liquidity, the government announced that the credit expansion rate per bank would be reduced from 40 to 30 percent and that the rediscount along with interest rates would be raised. Additionally, no across-the-board wage increases will be allowed.

In addition to the import substitution measures mentioned previously, the government hopes to spur private investment by increasing the amount of distributable gross dividends permitted from 30 to 40 percent for all incorporated businesses. Price controls on many agricultural products, motor vehicles and petroleum products have been lifted to provide local production incentives. Furthermore, banks are required to make 60 percent of all available commercial credit to indigenous manufacturers, i.e., those having less than 50 percent foreign equity ownership.

Agriculture and agribusiness development will receive the highest priority, according to the Head of State. To provide investment impetus these sectors, previously limited to foreign equity participa-

Nigerian Order Bans Certain Imports

The Nigerian Government issued a decree on April 1 that places an absolute prohibition on the importation of numerous items and requires import licenses for many others.

Items prohibited include cigarettes, live poultry, fur clothing, eggs in the shell including for hatching, pastry, biscuits and cakes, vegetables and fresh fruits.

Also banned are textile fabrics of all types, excluding trimmings and linings, tracing cloth, and goods imported for local manufacture by an approved manufacturer. The order also bans towels, other made-up textile articles, bottled beer and stout, evian and similar waters, empty beer bottles, fresh milk, flavored or colored beet sugar, macaroni and spaghetti, malt extract drinks, footwear, carpeting and rugs, furniture excluding medical, dental, surgical or veterinary, chilled or frozen meat of all kinds, matches, ready-made garments and jewelry.

Items placed under import license include: unmanufactured tobacco and tobacco refuse, packaging containers excluding those made of glass, duplicating paper, draft paper, and paperboard.

Also under import license are bed, table, toilet and kitchen linen, curtains, pillow cases, and other furnishing articles (excluding mosquito nets), typewriter ribbons, salt, all non-alcoholic beverages, certain cereals, radios, record players, tape recorders, video cassette recorders, tape decks and stereo sets, television sets, air-conditioners, domestic refrigerators, bare and insulated copper or aluminum electric wires, motorcycles, built-up commercial vehicles (trucks and lorries), and computers and similar data processing machines.

tion of 40 percent under the Nigerian Enterprises Promotion Decree of 1977, are now permitted to have up to 60 percent foreign participation. Additional incentives to the agricultural sector include: liberal production and marketing credit; capital expenditure investment allowances; indefinite loss carry forward provisions under the tax law; and exemption from taxes for interest received on loans of 7 years or longer.

Added to the increase in duty rates and post surcharges mentioned earlier, the budget message listed other revenue-generating measures to offset losses from reduced oil revenue, including: an increase in corporate income tax rates from 45 to 50 percent; immediate provisional tax payments on corporate profits; highway tolls; and state government purchase taxes for professional, hotel and catering services.

Other austerity measures mentioned in the budget message included Federal Government withdrawal from financial support of most housing construction projects. Such projects will now have to be funded by state governments and the private sector. Student loans will no longer be supported by the Federal Government, although there will continue to be no tuition charges at all universities. Finally, Obasanjo promised to realign the current revenue sharing system with the states in expectation that state governments will be able to levy taxes as a revenue base.

All in all, the budget reflects a realistic response to the current state of affairs in Nigeria. The growth rate of the economy will undoubtedly fall to within the 2 to 5 percent range as compared to the 8 percent average recorded for the last five years. In the long run, private investment should expand and domestic inflation should abate. However, for the short-term the cost of living will substantially increase as many foodstuffs and other commodities will be in short supply. Additionally, underemployment and unemployment will continue to plague the economy, especially in the urban areas.

Top GDR Trade Officials To Attend Seminars In U.S.

Twenty high-level foreign trade officials and leading scientific and technical experts from the German Democratic Republic (GDR—East Germany) will visit the United States May 9-16, for a series of seminars to explore opportunities for expanding U.S.-GDR trade.

The seminars will focus on the economic potential for U.S.-GDR trade and on related questions, including how GDR economic planning and scientific policy relate to trade expansion; financing of U.S.-GDR trade; and GDR policy and procedures for trade in licenses for manufacturing processes and/or equipment in selected high technology fields.

Among topics for the technical seminars involving specific industry sectors will be: machine tools, such as those for roll-turning and roll-grinding processes, and spur-gear machines; production of high-alloy steels through plasma-beam furnaces, some with temperatures up to 15,000°C; welding and cutting machinery developments, especially in automatic and semi-automatic equipment and technology; flourescent microscopes, microphotometers and other optical instruments; industrial photogrammetry; orthophototechnology equipment and technology; and printing and bookbinding machinery developments and technology, such as sheet-fed rotary offset and rotary web offset printing equipment and "filament sealing" bookbinding technology.

All GDR equipment requiring the use of computer controls has been designed to interface with U.S. equipment.

The German delegation will be led by Gerhard Beil, member of the GDR Council of Ministers and State Secretary in the Ministry of Foreign Trade. Others in the group include Werner Polze, President, GDR Foreign Trade Bank; Fritz Zeshernig, President, Central Bureau for International License Trade of the GDR; Werner Gilde, President, Central Institute for Welding Technology; and Franz Mueller, Chief of Department, Ministry of Ore Mining, Metallurgy and Potash. In addition, senior officials from several major GDR enterprises represented by the foreign trade organizations WMW Export-Import and Unitechna, and by Jenoptik, will participate in the seminars.

Experienced U.S. executives will also attend, including members of the U.S.-GDR Trade and Economic Council, which is sponsoring the seminars in the United States. The U.S. Council, made up of well-known firms and organizations from private industry, was established last June under the leadership of Jerome Ottmar, President of Amtel, Inc., to expand trade and economic relations between the two countries. Its counterpart in the GDR is the GDR-U.S. Trade and Economic Council led by Gerhard Beil. The Councils have worked with the GDR Chamber of Foreign Trade in arranging the seminars. The schedule is: New York, May 9-10; Los Angeles, May 11-12; Chicago, May 15-16.

Co-hosts are the Department of Commerce District Offices in New York, Los Angeles, and Chicago, and the following local organizations: New York Chamber of Commerce and Industry, World Trade Club of New York, Los Angeles Area Chamber of Commerce, Foreign Trade Association of Southern California, California Council for International Trade, Los Angeles Junior Chamber of Commerce, Chicago Association of Commerce and Industry, and International Trade Club of Chicago.

Commerce Department District Offices in the three cities have full details. Programs and reservation forms can be obtained from the GDR Congress, at the following addresses: Development Counsellors International, Ltd., 733 Third Ave., New York, N.Y 10017, telephone 212-687-1383; Richard C. King, Suite 550, World Trade Center of Los Angeles, 350 South Figueroa St., Los Angeles, Calif. 90071, telephone 213-489-3355; and Thomas H. Miner & Associates, Inc., 135 South LaSalle St., Chicago, Ill. 60603, telephone 312-236-8745.

MEETING AT LEIPZIG—*U.S. Ambassador to the German Democratic Republic David B. Bolen (right) welcomes GDR State Council Chairman Erich Honecker to the U.S. Business Development Office at the 1978 Leipzig Spring Fair. Looking on at center is First Deputy Foreign Trade Minister and State Secretary Dr. Gerhard Beil.*

Indonesia's Return To Health Seen Enhancing Opportunities For U.S. Exports, Investment

During the past two years the Indonesian Government has directed its efforts toward rescue of the economy from the crisis engendered by the near-bankruptcy of the state-owned oil company, Pertamina. The sound handling of this crisis and Indonesia's strong balance of payments position—exchange reserves stood at $2.42 billion at year-end—has been recognized by the international banking community in new loans with significantly more favorable terms to Indonesia to replace the loans originally made in 1975 to assist in bailing out Pertamina. During the period, Indonesia's economic growth, about 7 percent per year, has been led by the external sector, and the domestic economy has been rather sluggish.

In the current year, continues the U.S. Embassy in Jakarta, Indonesia's export earnings will be less buoyant both because oil production may be slightly down and because international markets for some key non-oil exports may be weaker than in the past year. On the other hand, new, more expansionary credit policies may help to reflate the domestic economy and create new sales and investment opportunities for those willing to put in the time and effort required by this somewhat difficult market. These policy changes include (a) reductions in both lending and deposit rates; (b) establishment of 3-6 month credits for certain categories of exports and basic raw material imports; and (c) lowering of reserve requirements on demand deposits from 30 to 15 percent. The government will presumably continue to employ credit ceilings to prevent an increase in the inflation rate stemming from these sweeping changes.

U.S. imports from Indonesia reached $3.5 billion in 1977, a record total and some 16 percent above the previous year. Petroleum imports increased to about $2.7 billion from $2.53 billion in 1976, and represent 79 percent of total 1977 imports from Indonesia. Indonesia is one of the three most important suppliers of petroleum to the United States. Rubber, coffee, spices and tin follow in that order as major U.S. imports, and all increased substantially in value over the previous year.

U.S. exports to Indonesia declined sharply from the record level of 1976, according to Department of Commerce figures. U.S. exports reached $763 million in 1977, down 26 percent from $1.036 billion in the previous year. Our main exports to Indonesia were heavy capital equipment of all kinds, including machinery for power generation, construction and mining, heating and cooling and electric power, transportation equipment, rice and wheat, other manufactured goods, chemicals, and raw cotton.

Although the strong growth in American exports to Indonesia over the past several years weakened in 1977, the Embassy forecasts a recovery of momentum in the next two years as a number of the causes for the decline have been corrected. For example, the highly important oil sector has begun to increase drilling expenditures. Indonesian major projects now at the tendering stage have a cumulative value which should exceed $2 billion. Moreover, the U.S. Export-Import Bank has recently taken a number of steps to offset the erosion of its competitiveness as a government export financing agency. Also, the decline in the value of the dollar vis-a-vis certain other currencies, and Indonesia's new credit policies referred to above, should contribute to better sales for U.S. firms active in Indonesia.

ASEAN Trade Fair

The five members of the Association of Southeast Asian Nations—Indonesia, Malaysia, Singapore, Thailand and the Philippines—are holding a trade fair in Manila May 7-21 to call the world's attention to the products and potentials of the region and to promote cooperative trade among themselves. Among U.S. organizations planning to send missions is the Pacific Northwest Regional Commission, which will hold a seminar on agriculture and forestry. The U.S. Government will send experts to explain how ASEAN businesses can increase the area's and their own export earnings by taking advantage of the U.S. Generalized System of Preferences.

Product categories which have the highest potential for increased U.S. export sales are: agricultural and food processing equipment; wood processing equipment; construction, mining and materials handling equipment and electric power generating equipment ranging all the way from turnkey generating plants through diesel generator sets and including transformers, switchgear, meters, and transmission systems. There is an increasingly important market in machine tools and equipment for metal products production.

Major projects are important

While project activity is currently quiet, a number of very large turnkey projects are at or close to the tendering stage. As American engineering and construction technology is highly respected and has a good record in Indonesia, U.S. firms have excellent opportunities on most projects. New projects include the Bintan alumina plant (a $400 million project), the South Sumatra coal mining and transportation project ($300 million), the second phase development of P. T. Arun natural gas liquefaction plant ($750 million), an expansion of P. T. Badak LNG plant ($400 million), the East Kalimantan fertilizer plant ($150 million), and two refinery expansions at Dumai, Sumatra and Balikpapan, Kalimantan ($750 million).

The World Bank and Asian Development Bank (ADB) have heavy project activity in Indonesia. During Indonesian fiscal year 1977-78 (April 1-March 31), over $700 million was pledged from those two international development banks; 1978-79 should see a level at least equal to the previous year's level. World Bank and ADB projects that may go to tender within the next 12 months include water supply and irrigation (eight loans), mining (two), electric power (two), highway (two), railroad (one), and port expansion (three). More information on these projects is available from the Economic/Commercial Section of the American Embassy in Jakarta.

In January the Embassy updated its comprehensive major projects list, which shows $20 billion of potential undertakings. The list, in addition to describing the project by name and estimated cost, also identifies the funding source, projected agreement/contract date, status, and name and address for key contacts. Interested firms may obtain it by requesting report DIB 78-03-025 from the National Technical Information Service, Department of Commerce, P.O. Box 1553, Springfield, Va., 22151. The cost is $4. Also, detailed information on market prospects and selling in Indonesia is available in two Department of Commerce publications: *Indonesia: A Survey of U.S. Business Opportunities* and OBR 77-05, *Marketing in Indonesia.*

The government welcomes foreign investment, particularly in those areas where capital, technical expertise, and advanced management skills are not domestically available. Foreign companies normally operate through joint ventures, with Indonesian partners. The government stipulates that the majority equity holding in the enterprise must be transferred to the Indonesian partner within ten years. The government guarantees the investor's right to repatriate capital and, in some instances, tax and other incentives are provided.

Foreign investment has played an important role in development of the Indonesian economy in the past ten years. However, in the past three years foreign investment has fallen off. In 1976 it reached its lowest level in ten years when approvals for new investments fell to $234 million compared to $1,255 million in 1975. In 1977 new foreign investment registered another serious decline and totaled around $200 million. One U.S. private investment was approved in 1977, a $15 million cotton plantation. This was only the

second new American investment in nearly two years. Offsetting the small new investment figures is a trend towards adding capital to existing arrangements. The significance is that while new investors continue to be cautious about Indonesia, many of those already there apparently are sufficiently optimistic to undertake sizable new commitments.

Investment has declined for a variety of reasons, including preemption of the best opportunities and saturation in some fields, such as textiles. In addition, potential investors face major uncertainties regarding the government's intentions with respect to "Indonesianization" of management and ownership of joint ventures. There has also been uneasiness about the government's respect for the "sanctity of contracts" following the forced renegotiation of oil company contracts in 1976 and several other reported instances where the government appears to have revised the operating environment in its favor after an investment has taken place.

The government is acutely aware of the need to improve the investment climate. The second Five-Year Plan envisions an average investment of $600 million annually and the inability in recent years to reach this target has now prompted government action designed to stimulate investment.

More authority over investment

Two decrees signed by President Suharto in October give far greater authority to the Capital Investment Coordinating Board (BKPM) which must approve all investments. The restructuring of BKPM, which involves the delegation of power from ten ministries, is designed to relieve the processing time for investment applications from at least one year in the recent past to about three months in the future. Under the terms of the second decree, all licenses, permits and financial incentives will be the responsibility of the Board. Excluded from the provisions are petroleum, mining and forestry; BKPM has been given wider responsibilities in these areas for processing after the initial contract or forestry agreement has been issued by the appropriate ministries.

It remains to be seen how effective the new system is but it seems to have improved the bureaucratic machinery which in the past has deterred or obstructed would-be investors. Meanwhile there are a number of potential foreign investors standing in the wings and watching further developments with hopeful expectations. But with foreign investment plans of U.S. companies scaled well back on a global basis, those companies are being very selective about where they will invest. This factor is probably as important as any developments in Indonesia in determining the future pace of U.S. investment there.

INTERNATIONAL BUSINESS REPORTS

U.S. Overseas Loans and Grants. Agency for International Development's annual report to Congress. Free.

More popularly known as the "Green Book," this report provides statistics about U.S. foreign assistance programs for fiscal 1977. It shows that a total of 101 countries received U.S. economic assistance of several kinds in fiscal 1977 and 48 received military assistance. Summarizes and groups countries by region without distinction between developed and developing countries. A.I.D. commitments are divided between loans and grants. Cumulative statistics are provided for all assistance since 1946.

Write: Office of Public Affairs, Attn.: Librarian, Agency for International Development, Washington, D.C. 20523.

Surveys of African Economies. Volume 7. Published by the International Monetary Fund. 374pp. $5.

This latest volume covers Algeria, Morocco and Tunisia (sometimes collectively referred to as the Maghreb countries), which are located along the Mediterranean coast of North Africa, and Mali, which is south of Algeria and landlocked in the center of West Africa. Based mainly on published sources, as well as on data gathered by Fund missions to the countries. Economic and financial data cover mainly the years 1970-74.

Write: The Secretary, International Monetary Fund, Washington, D.C. 20431.

Current Developments and Trends in the Andean Common Market. OBR 78-06. February. By Herbert A. Lindow. Published in Commerce's Overseas Business Reports series. 32pp. 80 cents.

Despite well-publicized setbacks, the Latin American nations are continuing their efforts to arrive at a workable mechanism for regional integration. The most ambitious and controversial of the Latin American regional efforts remains the Agreement of Cartagena, generally referred to as the Andean Common Market (ANCOM). This report, based in part on information provided by U.S. Embassies in Bolivia, Colombia, Ecuador, Peru and Venezuela, discusses the progress made in ANCOM toward achieving the goal of regional economic integration.

Write: Any Commerce District Office, or Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Calendar For World Traders

April 24 — Jeffersonville, Ind. — Kentucky World Commerce Council meeting, "Indiana Night", America Host Hotel. Information: Memphis Commerce District Office.

April 24-25—Mobile—First Southeastern International Trade Conference, University of South Alabama. Theme: Doing Business With Venezuela. Information: Ms. Pat Bettin, 205-690-6528 or 432-7637.

May 2—Memphis—Memphis in May Business Conference on Canada. Commerce's Kenneth Fernandez will discuss marketing in Canada.

May 3—New York—Seminar on Doing Business in the Emerging Markets, Part II, Long Island Assn. of Commerce & Industry (516-752-9600).

May 3 and 10 — Boston — International Business Center of New England Export Documentation Seminar, Holiday Inn, Newton Lower Falls. Information: 617-542-0426.

May 3-5 — Chicago — Seminar on Fundamentals of Finance and Accounting for the Non-Financial Executive. Presented by The Wharton School, University of Pennsylvania. Information: 800-223-7450 (in New York State, 212-953-7262).

May 7-12 — Indianapolis — International conference on techniques and benefits of value engineering, Hyatt Regency. Information: Society of American Value Engineers, 1978 Conference Committee, P.O. Box 24590, Indianapolis, Ind. 46224.

May 8—Cambridge, Mass.—Seminar, sponsored by Commerce and Harvard University's Russian Research Center, on Legal and Banking Developments in East-West Trade. Information: Marshall Goldman, 617-495-4037.

May 8-10—New York—Three American Management Associations seminars: Venezuela, Mexico, and Bolivia and Ecuador Updates. Information: 212-246-0800.

May 9 — Milwaukee — Fourteenth Annual Wisconsin International Trade Conference, Pfister Hotel and Tower. Sponsor: World Trade Assn. of Milwaukee Inc., 828 North Broadway, Room 310, Milwaukee, Wis. 53202.

May 9 — Louisville — Kentuckiana World Commerce Council meeting, Holiday Inn, Brownsboro Northeast.

May 11 — Chattanooga — World Trade Council meeting, Chattanooga Choo Choo.

May 11—Louisville—International Credit and Finance Assn. meeting, Rodeway Inn.

Worldwide Business Opportunities

International trade specialists in the Department of Commerce and Foreign Service Officers in the U.S. Embassies and Consulates around the world are continually developing specific commercial opportunities through which American companies can find buyers, agents, partners or investors abroad. One of the major means for communicating these opportunities promptly and accurately to the U.S. business community is through the columns of this magazine.

The section that follows presents details about upcoming licensing and joint venture proposals, opportunities to sell to foreign enterprises, major construction and expansion projects, and visiting buyers.

Licensing, Investment Abroad

SWITZERLAND—Firm specializing in diversification and innovation of projects for prominent Swiss manufacturers seeks to contact U.S. firms interested in licensing arrangements in following: **measuring instruments, precision electric and electronic controls and accessories, hydraulic and pneumatic controls and control equipment, high value industrial manufacturing equipment; high value residential sound and heat insulation materials, alarm systems, hobby and recreational equipment, gardening machinery; non-cutting aluminium and steel sheet metal work such as containers, chemical and pharmaceutical processing machinery; containers, food processing and chemical manufacturing; cutting and non-cutting sheet metal and alloy work, recreation equipment, ecology related products; filling, blending, packing and labeling of chemicals, aerosol products, household chemicals, dyes, specialty detergents and spot removers, own and foreign brand packing and labeling; small electric household appliances; testing equipment; paper products and specialties, and newly developed or newly designed paper bags.** K. Burger, Institut Fuer Absatzforschung, Industriestr. 5, CH-8307 Effretikon. P-78277.

1731, 8911—SAUDI ARABIA—Company wants to form joint venture with U.S. **electrical engineering and contracting company.** Firm has number of electrical contracting projects involving communities, large building complexes and other special projects, both official and private, worth $200 million over next three years. Additional information available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. WTDR. P-78321. OPIC.

2032 — YUGOSLAVIA — Joint venture partner sought to establish plant to produce **condensed soup, baby foods, ready meals.** Plant will cost about $10 million. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78278. OPIC.

2034 — GERMANY — Small manufacturer of **dehydrated specialty foods** seeks new products for licensed production. National dishes like Italian or Chinese specialties are of particular interest. Established 1964, firm has 14 employees and 20 salesmen. Products are sold in leading supermarket chains and food stores in Germany. Erich Spahn, Mgr., Wadian Feinkost GmbH, Salzschlirfer Str. 12, 6000 Frankfurt/Main-Fechenheim; phone, 0611-413099. P-78279.

2075 — YUGOSLAVIA — Company seeks joint venture partner to establish plant to process **soybeans** for human consumption. Cost of plant estimated at $75 million. U.S. partner would provide processing technology and share in equipment costs. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78280. OPIC.

2500—ZAMBIA—Established firm seeks joint venture or licensing arrangement to make wide range of **household and office furniture.** Also wants to expand its activities in cabinet making and joinery. Company specializes in floor tiling, wall cladding, swimming pool lining, shelving, storage, cabinet making and joinery. Company is sole distributor in Zambia of boltless packing, handy angles, shelving, handy tube display units and kitchen fittings. H. A. Gatchell, Polyvinyl Ltd., P. O. Box 802, Ndola. Telephone: 026-4676/2490. P-78310. OPIC.

3079, 3296, 3411, 2500, 3600—BELGIUM—Firm seeks licenses for manufacture of items similar to its present product line. Is engaged in manufacture of **plastic-based packaging materials, building insulation, storage containers, furniture and high precision electronics parts.** Firm's plant is equipped with tool making foundry, foundry for technical parts, and machinery for injection extrusion and thermoforming. Company is wholly owned subsidiary of Fina Petroleum Co. Jean Van Wetter, Mng. Dir., Syfina, s.a., Industrial Park, 6538 Manege. Telephone, 064-55-41-01; telex, 57067. P-78281.

3079—YUGOSLAVIA—Firm desires joint venture arrangement for multi-million dollar facility to produce **synthetic casings for sausages.** Facility will supply casings to all of country's slaughterhouses. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D. C. 20230. P-78282. OPIC.

3231—FRANCE—Large firm desires licensing arrangement for **labeling and decorating glass containers.** It wishes to diversify and upgrade its processing and product capabilities. All types of techniques will be of interest. Established 1896; owns 90,000 sq. m. plant at Albi in Southwest part of France; employs 508. Company is France's fourth largest glass container manufacturer. M. Henry Cortina, Directeur Commercial, Verrerie Ouvriere d'Albi, 146 Provence. Dimbourg, BP 91, 81003 Albi. WTDR. P-78283.

3241—NIGERIA—Government of Cross River State is seeking partner to build extension and share ownership in existing **cement plant.** Plant would be expanded to produce 600,000 tons a year. Officials state that area has sufficient raw material resources for cement production to last about 30 years. State would own 60% of enterprise. M. Ekenam, Permanent Sec., Ministry of Trade, Industry & Cooperatives, Calabar. P-78284. OPIC.

3241, 3511—UNITED ARAB EMIRATES—Sheik of Fujaira, sheikdom in UAE, seeks U.S. participation in several projects: **cement plant, electrical generating facility, exploitation of drinking water spring and an agricultural project.** For cement plant, there are Saudi Arabian and Syrian investors and primary interest is technology and licensing. Sheik would be joint venture partner in the other projects. He is also prepared to grant **oil exploration concessions.** Contact: Khaled Akkawi, Mng. Dir., Middle East Trade Center Damascus, P. O. Box 2921. Telex: SY 11/222. P-78285.

3253—NIGERIA — Firm seeks technical partner to build and operate **ceramic factory.** Geological study report of project is expected to be out in 2 or 3 months. Factory will be expected to manufacture floor tiles, wall tiles, sanitary wares, water closets, etc. Permanent Sec., Oyo State Ministry of Industry, Secretariat, Ibadan. P-78286. OPIC.

3272, 3292, 3079—KOREA — Firm seeks sources of advanced technology for production of various advanced **construction materials including light weight panels, light weight concrete and pre-fab housing construction materials.** Firm also desires sources of advanced **construction techniques** for projects at home and abroad. Company will consider purchase, licensing or joint venture arrangement. Employs 333 permanent employees. Byung H. Oh, V. Pres., Samsung Construction Co., Ltd., C.P.O. Box 8526, Seoul. Telex GOLDTEX K27503; cable, STARSCONST Seoul; telephone, 22-3329. WTDR. P-78287. OPIC.

3281, 3069—NIGERIA—Ministry of Industry seeks technical partners for establishment of **granite chipping plant** and **shoe sole factory.** Permanent Secretary, Oyo State Ministry of Industry, Secretariat, Ibadan. P-78288. OPIC.

3300 — BELGIUM — Belgium's second largest **cold rolling mill** is interested in purchasing know-how or obtaining licensing arrangement for manufacture of items complementary to its present product range. Its manufacturing program includes **steel sections** ranging in thickness from 0.5 to 8 mm.; standard lengths are 6,000 mm. It also works on specifications; know-how includes primer surface treatments. Firm operates 20 profiling lines; annual capacity, 30,000 tons; employs 140. Firm exports to the Common Market countries; clients are mainly automobile construction sector, metal furniture and metal construction industries. Ir. Pierre Carbonez, Asst. Mng. Dir., N. V Sadef, Brugsesteenweg 58, 8840 Hooglede-Gits. Telex, 81596; telephone, 051/207951. P-78289.

3100, 3500—BELGIUM—Large, diversified machinery manufacturer with activities in glassmaking equipment, boltmaking machinery, heaters, valves and materials han-

dling equipment for nuclear power plants seeks licenses. It is interested in making **all kinds of equipment compatible with its capabilities.** These would include products incorporating machined components having dimensions up to 20 x 20 x 20 ft., with weight of heaviest components not exceeding 40,000 lb. Firm's facilities are equipped with machine tools and stainless steel machining and welding equipment. Firm operates research and design offices, engineering and after sales service; is represented worldwide, employs over 750. Its extensive facilities extend over 20 acres. Richard Goeminne, Mktng. Mgr. or J. R. Godart, Engineer, Ateliers J. Hanrez, s.a., Rue de Trazegnies, 41, B-6031 Monceau-sur-Sambre; telephone, 07-31-44-00; telex, Hanrez Char B-51-387. Copies of firm's brochures available from the Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78314.

3412—JAPAN—Firm is interested in concluding exclusive licensing agreement with U.S. manufacturer of **sanitary faucets and fittings for draft beer kegs** of 15 gal. or less. Firm specializes in manufacture of textile dyeing and finishing machines, filters, tanks, towers, tubular heat exchangers, mixers, etc. Operates plant at Kenie-Cho; production facilities include 64 machine tools, 24 metal forming machines, 61 welding machines, 13 surface treatment machines and equipment, 36 testers and 14 other miscellaneous machines. Current annual sales, about $14.6 million; employs 220. Company is wholly owned subsidiary of Nippon Metal Industry Co. of Tokyo, one of Japan's leading manufacturers of stainless steel sheets, bars and castings. Koichi Numata, Mgr., Administrative Dept., Nippon Dyeing Machine Mfg. Co., Ltd., 123 Unowari, Kanie Honmachi, Kanie-Cho, Ama-Cun, Aichi Prefecture 497. Cable: NISSENKIKAI NAGOYA; telex, 4495502 NISSEN J; telephone, 05679-5-2111. P-78291.

3423—GERMANY — Licenses sought to **produce hand tools** such as clamps, wrenches and vises. Firm has sales network of several hundred chain stores, home centers, and do-it-yourself department stores throughout Europe. Established 1964, employs 138; annual sales, DM $27 million. Udo Faubel, Herba-Werkzeugfabrik, Weberstr. 5, 5630 Remscheid 11. Telephone, 02191/53074; telex, 8513838. P-78292.

3423, 3546—GERMANY—Firm desires to broaden its product line and seeks licenses for manufacture of **automobile repair specialty (novel) tools** in Germany and distribution throughout Europe. Company is manufacturer of automobile maintenance tools—for example, wide ranges of spanners, wrenches incl. torque wrenches, ratchets, chisels, pullers, and power tool sockets, bits and inserts. Established 1919; employs 180; owns two manufacturing facilities. Mr. Maus, Saltus-Werk, Max Forst, Postfach 100226, Schabergerstr. 49-55, 5650 Solingen 1. Telex: 8514784. P-78293.

3442—AFGHANISTAN—Seeks joint venture arrangement with U.S. firm to assemble **aluminum window and door frames.** Frames would be imported and assembled locally. Alternatively, if U.S. companies are not interested in joint venture, Afghan firm would be interested in purchasing an assembly plant, equipment and technical assistance. Local competition is from wood and iron frames. Under Afghan investment capital equipment and raw materials would be granted duty free status for five years if investment is approved. Tax holiday on profits is also granted. Khawja Moenoddin, Afghan Trading & Consulting Co., P.O. Box 639, Kabal. P-78294. OPIC.

3443—GERMANY—Is interested in exchanging technical know-how on latest developments in **solar energy techniques.** Licensing arrangement might be considered at later date. Firm manufactures, distributes air conditioning and related equipment. Has developed and constructed solar collector using copper absorbers. Employs 40. Heinrich Jaeger, Mgr., Solar Energie Technik GmbH, Tulpenstr. 46, D-7053 Kernen i.R. Telephone: 07151/41013. WTDR. P-78308.

3443—NEW ZEALAND—Seeks licenses to produce **containers for internal transport and storage of liquefied petroleum gas.** Firm has 35 employees; annual sales, $1.3 million. Designs and makes cranes, earth-moving attachments, pressure vessels, structural steel and materials handling equipment. K. W. Lipscomb, Mng. Dir., or R. J. Buchan, Asst. Mgr., Flewellen & Lipscomb Ltd., P.O. Box 16034, Hornby, Christchurch. Telephone, 499-079; cable, FALCO. P-78322.

3444—BELGIUM—Firm is interested in obtaining licenses for manufacture of items similar to its present product range. Company produces **sheet metal and sheet metal products** with thickness of .05 mm. to 5 mm. Its plant, which employs 40 persons, is equipped with guillotine sheaths, press breaks from 12 to 300 tons, mechanical presses from 20 to 220 tons, two numerically controlled turret punch presses, and spot and gas welding equipment. Yvon Remy, Pres., Remytole, S.A., 19, Ave. de Mariemont, B-7160 Haine-St. Pierre. Telephone, 064-22-61-14/15; telex, 57611. P-78295.

3494—BELGIUM—Seeks license to manufacture **low carbon (0,02-0,03) stainless steel valves and fittings used in petrochemical plants and methane (LNG) gas terminals.** Firm specializes in production of cast steel equipment and accessories for cement plants and for dredging, shipbuilding and off-shore drilling. Employs 750; annual sales around $14 million. Has casting capacity of 1,000 m2 a month. Raoul Wilmart, Mktng. Dir., s.a. Acieries Leonard - Giot - Allard, B-6100 Mont-sur-Marchienne. Telephone, 071-36-21-40; telex, 51245. Copies of firm's brochures available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78296.

3500—BELGIUM—Seeking to broaden its product line, company is interested in licenses to produce new high-technology items related to **machines, machine and motor casings and blocks, and machine parts used in mechanical metal processing and polypropylene processing jobs.** Firm is affiliate of Europe's foremost manufacturer of wire and wire products. It is the group's machine manufacturer and designer and has diversified into copper wire and subcontracting for machinery manufacturers. Sales in 1977, $30 million. I. Vanneste, Mktng. Mgr., Bekaert Engineering N.V., Blokkestraat, B-8550 Zwevegem. Telephone, 056/75.61.11; telex, 85678. P-78297.

3500—FRANCE—Seeks licenses to produce **industrial air purification equipment (heating, ventilating, air conditioning); industrial water purification equipment (reverse osmosis and water softeners); fabricated and prefabricated metal buildings; packing and packaging machinery for food and industrial products; overhead traveling cranes and monorail systems; mining machinery; steam, gas and hydraulic turbine generators; steel power boilers, over 15 PSI steam working pressure; tanks and tank components; bank safes and vaults; waste management equipment; ships.** Firm is engaged in consulting work with large industrial groups. Marketing areas include France, Europe and French speaking Africa. G. Counas, Gen. Mgr., G. C. Conseil, 17 Blvd. Colbert, 92330 Sceaux. Telephone: 660-6389. P-78298.

3500, 3600—FRANCE—Seeks licenses to produce **sewage and water purification equipment; pumps and pumping equipment parts and attachments** (except for air and gas compressors; **mechanical components** such as ball bearings, taper roller bearings, unmounted plain bearings and bushings; **solar water heaters; process control instruments and measuring tools; abrasive products, metal and non-metallic-grains, flour, bonded coated and diamond.** Also, **fasteners, external and internal threaded; stamps and pressed metal end products,** including vitreous enameled products; **solid and tipped carbide threaded tools for machine tools and metalworking machinery; industrial speed changers, drives and gears; mechanical power transmission equipment; chemical catalytic preparations; and pharmaceutical preparations for human and veterinary use.** Firm is in charge of design, construction and sales for automobile manufacturer, Regie Renault. Established 1959, employs 500; annual sales, $30 million. Pierre Barreteau, Mktng. and Eng., Seri Renault Engineering, B.P. 19, 78390 Bois d'Arcy. Telex, 695 426F; telephone, 043-8134. P-78315.

3519—KOREA—Seeks license to assemble **1-5 hp. gasoline engines.** Would import motors in CKD form. Korean firm produces agricultural sprayer systems. Em-

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Licensing and investment proposals from foreign firms are listed in these columns. Specific product interests in each proposal are highlighted in bold type to facilitate identification and each proposal is preceded by the appropriate four-digit product number taken from the Standard Industrial Classification (SIC) Manual.

Background information on opportunities abroad and assistance on overseas investments are available from the Overseas Products and Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. "P" numbers should be used when responding to any of the specific proposals listed.

WTDR indicates that a World Traders Data Report containing financial and background information on the foreign firm is available for $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. WTDR request forms may be obtained from any Commerce District Office.

OPIC indicates that the country involved is eligible for investment insurance coverage and financing from the Overseas Private Investment Corporation. Information regarding applicable coverage may be obtained from OPIC, Washington, D.C. 20527.

ploys 200; 1977 sales, about $2 million. Hon-Sig Lee, Mng. Dir., Jung Ang Industrial Co. Ltd., E-Ju Bldg., Room 102, 6-1, Sunhwa-Dong, Chung-Ku, Seoul. Telephone: 23-6665. P-78316. OPIC.

3532—GERMANY—Seeks licenses to manfacture **mining and mineral processing machinery such as cleaning, crushing and clarifying machines as well as recycling systems.** As part of expansion program, firm is also interested in making **food packaging machines.** Company is supplier of complete rolling mills. Has subsidiaries, agents and affiliates throughout world. Employs 3,600. Excellent reputation. Herr Dipl. Wirtsch,-Ing. H. J. Kahlenberg, Schloemann-Siemag AG, Steinstr. 13, 4000 Duesseldorf. Telephone, 0211 / 881263; telex, 08582745. P-78317.

3533—ECUADOR — Government agency responsible for promoting water development projects for agriculture is interested in purchasing **well drilling and tunnel drilling equipment.** Equipment sought should have following characteristics: portable (but not mounted on vehicles), able to perforate up to 2,000 m. and 24 in. in diameter; and tubing from 8 to 24 in. in diameter for lining of wells. Agency also seeks information on tunnel making equipment. Tunnels would be used in conduction of water. It is suggested that interested firms also include information on mounted drilling equipment. Correspondence in Spanish should be used if possible. Write: Ing. Miguel Chehab, Tech. Dir., Instituto Ecuatoriano De Recursos, Hidraulicos (Inerhi), Riofrio 314 Y Manuel Larrea, Quito. P-78192. OPIC.

3534—GERMANY—Seeks cross licensing agreement covering production of **building exterior maintenance service lifts and emergency escape equipment, especially for high rise buildings.** Would also consider joint venture after period of successful cooperation. German firm produces exterior maintenance lifts and escape equipment and wants to supplement its line with American products. Hans Vollath, Gebr. Wahlefeld, Bruchfeldstr. 85, 4150 Krefeld-Lin. P-78313.

3544 — SINGAPORE — Prominent firm seeks license to manufacture **injection molds with capacity of up to 10 ounces for molding plastics.** Needs technical know-how and equipment. Currently, company produces rubber processing machinery in its plant in Jurong Town. Has space available for proposed project. Good reputation. Fong Mun See, Mgr. Dir., See's Engineering Co. Pte. Ltd., 12 Gul Ave., Jurong Town, Singapore 22. P-78309. OPIC.

3554—GERMANY—Medium sized manufacturer of **paper processing machinery and pneumatic and hydraulic moving parts for such machinery** seeks license to produce similar and allied equipment. Firm is also interested in obtaining technology to make **special machinery for textile industry.** Established 1965, company employs 30. Mr. Keppler, Keppler Karl-Apparatebau, Robert Bosch Str. 4, D-7417 Pfullingen. Telex, 729824; telephone, 07121/73696. WTDR. P-78299.

3559—BELGIUM—Important producer of pressure vessels and medium and heavy plate work seeks licenses. Firm wants to manufacture **pollution control equipment and specifically water treatment tanks along with channels for such tanks.** Company believes that market for water pollution control equipment is excellent in Belgium at this time, given current determination to apply stricter standards nation wide. Employs 80 with staff of 12 in engineering and design. Annual sales, about $5 million. J. Brouzier, Tech. Mgr., Ateliers de Construction et de Chaudronnerie, Antoine Lefevre & Fils S.A., Reu Paul Pastur 123, B-6210 Charleroi. Telephone, 071/35.01.40; telex, 51418. P-78312.

3559—UNITED KINGDOM—Seeks exclusive agency and/or licensing agreement to manufacture and market **tube working, manipulation and cutting equipment with sales value of $10,000 to $100,000 per unit,** preferably in high speed automatic production of semi-finished components. Firm has annual sales of $6 million. Specializes in design and production of all types of tube handling equipment, including cut-off lathes, bending machines and gang slitting machinery. Brian Arthurs, Sales Dir., T. I. Brookes Ltd., Brades Road, Oldbury, Warley, West Midlands B69 2DL, England. Copies of firm's sales literature available from Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78290.

3569—BELGIUM—Seeks license or joint venture agreement to produce **large water related units, ranging from water purification plants to sprinkler systems.** Belgian foundry produces primarily castings for road construction. Is one of country's five largest foundries, employs about 150; reported 1977 sales, $7.5 million. It exports primarily to Netherlands. Representative of firm plans to visit U.S. May 8-19. He will spend a week in New York and Chicago and is interested in discussing proposal with American companies. G. Rabaut, Mgr., Gieterij Vuylsteke N.V., Oostnieuwkerkestraat 116, B-8800 Roeselare. Telephone, 051-20-30-91; telex, 81806. P-78300.

3569—FRANCE—Manufacturer of **automatic packaging machinery for metal cans** seeks licenses to complement its product line. Firm operates well equipped and modern plant in industrial zone of Vitrolles, near Marseilles. It owns 30,000 sq. m. of land and has ample room for expansion. Enjoys good reputation; its managers are active and competent. Representative of firm plans to visit U.S. latter part of April. Yves Lhermet, Dir. Gen., SABATIER SA, 31 2e ave., Zone Industrielle, 13127 Vitrolles. WTDR. P-78320.

3612, 3679—YUGOSLAVIA—Large manufacturer of electric motors plans to expand product line. Seeks advanced technology through joint ventures or similar agreements with U.S. firms. Company's product interests include **transformers, regulators, batteries, electronic circuits, electronic detection equipment, telemetric devices, measuring instruments and photo electronic devices.** Project has high priority in industrial planning of Province of Vojvodina. Alexsander Uzelac, Gen. Dir., Sever-Gorenje, Magneta Polja 6, Subotica. Telephone, 26-512; telex, 15116 YU SEVER. P-78301. OPIC. Firms responding to this opportunity are requested to send copy of their initial correspondence to U.S. Emb., Kneza Milosa 50, Belgrade.

3613—EGYPT—Seeks joint venture with American producer of all types of **fuses.** Firm distributes electric and electronic machinery, equipment and supplies. Mostafa Younis, Electrical Center for Science and Electronic Equipment, 3, Bustan Ibn Kourich St., Tahrir Sq., Cairo. Telephone, 32902/32921; telex, 9313 EASTMAR UN; attn: Mr. Khairy. P-78318. OPIC.

3679—FRANCE—Seeks licenses to produce and market **mechanical and/or electronic tools or kits for process control and electronics industry.** Company makes printed circuits, electric cables, signaling devices, other products. Employs 10, distributes in Eastern Europe. Good reputation. Mr. Perrin, Mgr., Entreprise Rurale d'Electrotechnique des Vosges, Cleurie, 88120 Vagney. Telephone: 29-35.03.27, ext. 51. P-78302.

3728—THAILAND—Group of local businessmen plan to invest some $1.5 to $2.5 million to establish plant to assemble **short take-off and landing (STOL) aircraft.** They will require technical know-how, machinery and equipment for plant. Interested U.S. firms should contact: Somsak Pitakmongkolkul, Mng. Dir., Overseas Securities and Industrial Consultants Co., Ltd., Suite 805, Bangkok Insurance Bldg., 302 Silom Road, Bangkok 5. P-78303. OPIC.

3823, 3824, 3825—FRANCE—Manufacturer of process control instruments seeks licensing rights for production of **electrical and electronic measuring instruments; digital thermometers; panel meters; frequency meters and generators.** Established 1896; employs 4,600. Firm enjoys good commercial reputation. J. Deltreil, Comm. Mgr., Association Des Ouvriers En Instruments De Precision, AOIP, 83-85 Bd. Vincent Auriol, 75013 Paris. Telex: 20477-IF. P-78305.

3823—UNITED KINGDOM—Small manufacturer of moisture and temperature control equipment, monitors, granular flow and level sponsors and similar low cost electronic farming aids seeks licenses. Is interested in production of additional **electronic products for barns, fields, and in updating farming activities.** Company employs 7; was established 1973. Nick Chandler, Prop. & Electrical Eng., Farm Electronics & Installations, Welby, Nr. Grantham, Lincolnshire. P-78319.

3825—INDIA—Firm seeks joint venture to establish plant to produce switchboard instruments such as **voltmeters, ammeters, wattmeters, power factor meters synchroscopes, trinectormeters and moving coil meters.** Due to increasing emphasis on rural electrification and power generation projects in India, firm expects significant rise in demand for such products. U.S. technical assistance and machinery sought in exchange for lump-sum payment and royalties over specified period. Established 1958, company is private organization producing 75% of automobile speedometers used in India. Employs 1,300. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78306. OPIC.

3841—SAUDI ARABIA—Seeks joint venture arrangement to manufacture **disposable plastic hypodermic syringes** in Saudi Arabia. Saudi firm desires minimum of 20% and maximum of 40% equity participation. Foreign partner will be required to provide complete technological support and, if necessary, operate under licensing arrangement. Project will be located in the Damman industrial area. Firm has been granted exclusive license by Saudi Government to manufacture this product. Annual production capacity planned at 30 million pieces of disposable syringes in size of 1, 2 and 5 cc. Sterilization of syringes to be through gamma ray process. Saudi company will provide logistical support to equity partner's technical staff. Saleem A. Reza, Saudi Arabian Sales Int'l., P.O. Box 102 Dhahran Airport. Telex, 60064 SJ; cable, UNENCO, ALKHOBAR, Saudi Arabia; telephone, 42558, Alkhobar. P-78307. OPIC.

7392—BELGIUM—Industrial and management consulting firm seeks joint venture with **international consultancy engineering company** that has no contacts on Euro-

pean market. Company acts as project consultant for marketing, financial, economic and industrial problems. Licenses for **high-technology products used in metal processing** industry are also of interest to firm. Official of company plans to be in U.S. May 8-19 and would like to meet businessmen in Chicago and New York for discussions. Overseas Products & Investment Opportunities Staff, Room 4021, U.S. Department of Commerce, Washington, D.C. 20230. P-78304.

Licensing In U.S.

For additional information on these opportunities to manufacture foreign firms' products in the United States under an investment, joint venture, licensing, or cooperation agreement, write to the Domestic Investment Services Staff, Bureau of Export Development, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230 (202-377-5361), referring to the appropriate file number.

Investment

BELGIUM—Carpets. Exporter of woven quality carpets wants to set up production in North East or Mid-Atlantic regions. Firm plans to invest about $3-$5 million and employ about 150 workers. Firm needs about 10,000 sq. m. of covered space which should be close to good port and internal transport facilities. Paul Balcaen, Pres., or John Lorrez, Admin., Balta S.A., B-8799 Sint Baafs Vijve. File 3850.

BELGIUM—Prefabricated housing. Firm would like to set up production line by 1980 using "runway" system to make complete wood frame housing, both light and heavy weight. Second production line would produce concrete modules. Firm plans to invest $3-$6.5 million and employ 100 to 200 workers. Preferred location would be in Southeast and Texas areas; however, other areas may be considered. Antoon Mathhijs, Mng. Dir., JUMATT p.v.b.a., Nijverheidslaan 38, B-8740 Deerlijk. File 3851.

BELGIUM—Fabric. Firm is interested in setting up production line to manufacture its special fabric used in making a lightweight, water-resistant windbreaker with hood. Interested U.S. companies are asked to write to Domestic Investment Services Staff, Room 4020, U.S. Department of Commerce, Washington, D.C. 20230, for questionnaire, before contacting Belgium company. File 3852.

GERMANY — Electronics. Producer of electronic and electro-mechanical cases (housings), for example, plug-in cases, tool lockers, laboratory scales, small electronic cases, system-technic, and other mechanical and electromechanical attachments (power supply units, decentralized power supply), wants to establish production in U.S. Company will provide manager and train U.S. workers in Germany. Preferred location would be California, Texas or New England. Mr. Gengenbach, Schroff KG, Bauteile fuer die Elektronik, Industriegebiet, 7541 Straubenhardt 1 b. Pforzheim. File 3853.

GERMANY—Candy manufacturing. Firm wants to invest in U.S. hard candy or related products manufacturing company. U.S. firm should not be in chocolate market. Anticipated capital investment expenditures will range between $8 and $10 million. All correspondence should be directed ASAP to: Wolfgang B. Samuel, Geramco AG, Int'l Projects, Peter-Ross-Str. 9, 4000 Duesseldorf 11 (Oberkassel). File 3854.

SPAIN—Codfish processing factory. Official of firm plans to visit U.S. in June or July to determine location of supply sources of codfish and most advantageous place to install plant. Jose Ruiz, Cubamar Secaderos de Bacalao, Aptdo. 384, San Sebastian, Guipuzcoa. File 3855.

Joint Venture

BELGIUM—Dying of upholstery and carpet treads and yarns. Mrs. L. Durien, Mng. Dir., Ververij St. Antoine, Hugo Verriestlaan 48, B-8580 Kortrijk. File 3856.

BELGIUM — Woolen men's suits and jackets. Firm is seeking clothing wholesaler or shirt manufacturer. Firm plans to invest about $1 million in addition to similar input from its U.S. partner. Mr. Deleye, Gen. Mgr., EMCC, Brugsesteenweg 437, B-8800 Roeselare. File 3857.

GERMANY — TOOLS. Manufacturer and exporter of precision machine tools, specialized machinery and tools, seeks U.S. manufacturer as partner for joint venture/cooperation. Firm would prefer taking U.S. workers and training them in Germany, with plans to bring one technical manager to the States. Firm wants to employ about 50, mainly skilled mechanics. Preferred location would be State of New York, or Illinois (Chicago). Firm wants to invest about DM 1 million. Mr. Kopp, KADIA-Diamant Maschinen & Werkzeugfabrik, O. Kopp GmbH, Fabrikstr. 2, 7440 Nuertingen. File 3858.

Licensing

AUSTRALIA—"Drivezy" tennis trainer. Aid for beginners and all tennis players in any grade. Helps to develop reflexes, stroke-making, timing and footwork. Will strengthen arms, wrists and reportedly increase confidence on court. With continuous play, it is possible to hit over 3,000 strokes per hour. O. C. J. Nicholls, Mng. Dir., O. C. J. Nicholls Enterprises Pty Ltd., P.O. Box 14, Murwood. 3125, Victoria. File 3859.

BELGIUM—Laminar board having base of bonded wood particles with decorative facing for furniture making and for wall and ceiling paneling. U.S. Patent No. 4,045,262. H. Fechner, Mgr., Modialin-Dunspan N. V., Nijverheidslaan 9, 8630 Gullegem. File 3860.

BELGIUM — Waste systems, including range of refuse collectors, septic tank cleaners, gully emptiers, sewage cleaners, sprinklers, street and runway sweepers, platform vehicles, snowplows, and sand-spreaders. Alard Vandekerckove, Mng. Dir., Vandekerckhove N. V., 8800 Roeselare. File 3861.

BELGIUM—Aerosal spray that puts shine on household plants. Firm is interested in selling trade marks, technology, etc., on its product. Van Overstraeten, Mng. Dir., Prod. Dept., N. V. Volcke Group, Industrilaan 15. File 3862.

CANADA — Filing systems. Designed and patented new variable size, portable, vertical standing, space saving, of easy access —for maps of all kinds and sizes. Walter Hornbacher, 2001 Centre St. N., Calgary, Alberta, T2E 2S9. File 3863.

FRANCE—Solar heating system used to generate electric power. System uses ocean water and solar energy to produce steam to operate turbine generator. Sea salt is provided as by-product. Edouard-Paul Grenet, S.R.G., 28 Rue Bapst, 92600 Asnieres. File 3864.

FRANCE—Agriculture machine used for soil preparation, direct sowing and planting. Uniqueness consists of alternative input drives on housing of gearbox for tools rotating about vertical axes. U.S. Patent No. 3,713,494. Albert Berdrin, Owner, Massy Orleans Agricole, 302 route d'Orleans, 91300 Massy. File 3865.

GERMANY—Industrial lacquers for use in electronics industry. Werner Peters, Niederrheinische Lackfabrik, Werner Peters KG, Untergath 24, 4150 Krefeld 13. File 3866.

GERMANY—Bakery and candy ready mixes. Hans Juergen Breitz, E. Breitz & Co. GmbH, Schierenberg 70, 2000 Hamburg 73. File 3867.

GERMANY—Crystal chandeliers. F. Dubielzig, Mobilar Export Import GmbH, Gurlittstr. 10, P.O. Box 104 524, 2000 Hamburg 1. File 3868.

GERMANY—Heavy duty sweeping equipment for municipal use and for use on golf courses, tennis courts, etc. Georg Wiedenmann, Mgr., Wiedenmann GmbH, Am Bahnhof, D-7901 Rammingen near Ulm. File 3869.

NEW ZEALAND—Golf green servicing equipment that consists of power unit with modular attachments for coring, thatching, fertilizing, soil preparation, seeding. John Farmer, Mng. Dir., G. J. Farmer Ltd., P.O. Box 38396, Howick, Auckland. File 3870.

NETHERLANDS—Sprayers for crops and for bituminous liquids. Doris Atkind, Trade Promotion Officer, European American Bank & Trust Co., 10 Hanover Sq., New York, N.Y. 10015. File 3871.

Licensing/joint venture

GERMANY—Conveyor belting for coal and other mineral mining. Firm would prefer that U.S. firms interested should have production facilities for rubber and PVC products. Uwe Haskamp, Export Mgr., H. Rost & Co. Balatroswerke, Goldschmidtstr. 51, 21 Hamburg 90. File 3872.

GERMANY—Chromed display articles such as hangers, stands, shop-fitting-systems, shoe stands; wooden display articles; design and production of fair stands; vacuum-formed display articles for Christmas decorations Mr. Both, Adams Werbung GmbH, Wilhelm-Lambrecht-Str. 6, 34 Goettingen. File 3873.

GERMANY—German advanced technology used in construction industry. Doris Atkind, Trade Promotion Officer, European American Bank & Trust Co., 10 Hanover Sq., New York, N.Y. 10015. File 3874.

GERMANY—Air conditioning. Firm's variable central-type system is designed for air flows from 500m. 3/hr. to 200,000 m. 3/hr. Reportedly, it is of strong, corrosion-resistant aluminum construction with flexibility of configuration and installation, and ease of cleaning and maintenance. Optimum use of cross section and length is said to guarantee minimal energy requirements. Julius Boguslawski, Mgr., Klima & Kaelte GmbH, Rathenaustr. 8, D-6300 Giessen. File 3875.

Cooperation

AUSTRIA—Platform system used in commercial garages to enable parking twice as many cars. Ing. Erwin Groeger, Graf Starhemberggasse 32, A-1040 Vienna. (Mr. Groeger has not specified type of cooperation he is seeking; is open to various proposals). File 3876.

Direct Sales

The following trade opportunities are based on reports received from the U.S. Foreign Service—Department of State by the Trade Opportunities Program, Room 2323, U.S. Department of Commerce, Washington, D.C. 20230. The commodities in which foreign firms have interest indicated by codes 0111-1799 and 4011-8999 are based on the Standard Industrial Classification Manual, 1972; codes 20 through 39 come from Numerical List of Manufactured Products (New 1972 SIC Basis), MC72-1, 2. Codes beginning with 99 are from the TOP coding system.

U.S. firms should be aware that the listing in Commerce America *of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the Department of Commerce pursuant to the Department's Export Administration Regulations. Applicable export licensing regulations must be followed.*

Every effort is made to include only traders with good reputations. However, the Department cannot be responsible for any trade relations.

WTDR indicates that a World Traders Data Report on this specific firm is available at $15 from the Export Information Division, Room 1033, U.S. Department of Commerce, Washington, D.C. 20230. A WTDR is a trade profile which contains commercial information including financial references, on an individual foreign firm. Orders must include complete name and address of the subject firm and be accompanied by payment. Further information concerning WTDRs and request forms are available at each Commerce District Office.

Broad woven fabric mills, cotton

2211000, 2221000 — BELGIUM — Printed cotton textile fabrics; printed synthetic textile fabrics. UCO is largest Belgian spinner, weaver, processor & mfr. of textiles & ranks among important European textile concerns. Employs 6,000 & claims annual turnover of 7 billion BF. Clients are mainly in Common Market & Africa. Desires offers from large U.S. printers only. Cite mill capacity when you quote. Reply to—Mr. H. Thewissen, Merchandising Mgr., Lightwea, UCO, N.V., Belle Vue, 9218 Ledeberg, Belgium. Telex 11 120; Tel. 091/23 41 01.

Paper products

2641400—BANGLADESH—PVC tape 25 mils. Thickness overall—15,000 rolls (size 2 in. by 200 ft.); 4,000 rolls (size 4 in. by 400 ft.); 4,000 rolls (size 6 in. by 400 ft.); 4,000 imp. gals. primer to suit to above PVC wrapping materials. Financed by Asian Dev. Bank Loan No. 255 BAN(SF) —Procurement (3rd Lot). Prescribed tender form & other docs. giving detailed specs., requirement terms & conditions available for TK. 400.00 (about $26; not refundable) per set from below address or Bangladesh foreign missions abroad. Experience with Bankladeshi tenders indicates that any U.S. firms interested in successfully participating in tenders will require local agent. If you do not have a rep., contact nearest Dept. of Commerce District Office. Cable "TITASGAS" DACCA; telex PETRODAC—725, DACCA. Obtain bid docs. from—Gen. Mgr., Titas Gas Transmission & Distribution Co. Ltd., 7 Motijheel Commercial Area, Dacca 2. Refer to bid no. MCD. 2312/320-WRAP. Bid deadline June 6.

2645211—IRAN—125 tons one side glazed one side white cardboard in bobbin made of non-fragile cellulose pulp with 305 mm width, 260-280 grs. weight per sq. meter, 0.30-0.34 mm thickness, 120 mm core dia. & 90-100 cm outside dia. bobbin; 150 tons high quality one side glazed, one side dark cardboard in bobbin with 310 mm width, 260-280 grs. weight per sq. meter, 0.30-0.34 mm thickness & 120 mm core dia. bobbin. Bidders required enclose with their offers 5 kgs of their proposed cardboard in size of 62x43 cm to enable ITC to conduct necessary tests on relevant machines & make final decision. Bids without samples will not be accepted. Prices should be quoted on basis of gross weight. Obtain bid docs. from—Iranian Tobacco Co., 205 Iranshahr Ave., Tehran. Cable TABAKMONOPOL; telex 2715. Refer to bid no. 171633. Bid deadline May 28.

Industrial chemicals

2819724, 2869000-210 — EGYPT — Supply of borax, tender no. 9/A/78, bid deadline June 1; supply acetone, tender no. 8/A/78, bid deadline May 29; supply trichloroethylene tender no. 7/A/78, bid deadline May 25. Tender docs available for L.E. 5, U.S. $7.14, per copy from—Industrial Gases Co., Foreign Purchasing Committee, 74, Al Gomhouria St., Cairo.

2819974—BRAZIL—Sulphur. Interested in importing for own use. Large firm estab. 1976. Operates as mfr. of sulphuric acid, phosphoric acid & superphosphates. Capital 350 million cruzeiros. Subsidiary of Companhia Vale Do Rio Doce, a govt. controlled corporation. WTDR 1/78. Reply to—Gilberto De Freitas, Admin. Mgr., Valefertil Fetilizantes Vale Do Rio Grande S.A., Av. Olegario Maciel 2251, 30000 Belo Horizonte, Mg, Brazil. Tel. 335-1311.

Pottery, related products

3264010 — GREECE — Supply 20,000 pin type insulators 20kv, & 50,000 suspension insulators in accordance with ANSI-C (Feb. 29, 1977). Financed from PPC budget. Bid docs. obtainable from Dept. of Commerce, TOP, Rm. 2321, Wash., D.C. 20230, Tel. 202-377-2251. Submit bids to — Public Power Corp. (PPC), Purchasing Dept., 55 Stournari St., Athens (102). Refer to bid no. DMKD-1713/09. Bid deadline May 25.

Concrete, gypsum, plaster products

3275211—EL SALVADOR—Thermal insulation for about 6,000 meters steel pipe & 350 joints 12, 16 & 20 in. nominal dia. Insulating material must be composed of calcium silicate blocks. Financed by World Bank. Bid docs. available at address below for 70 colones (US$30). Work must be completed & delivered by 01/31/79. Bidders not previously qualified must submit with offer info. record of experience in similar works, brochure statement of financial resources, description of plant & organization, banking references, other info. which will aid in judging bidders qualifications. Obtain bid docs. from—Comision Ejecutiva Hidroelectrica Del Rio Lempa (CEL), 7A. Calle Poniente No. 950, Centro De Gobierno, San Salvador, El Salvador. Refer to bid no. CEL-566. Bid deadline May 30.

Steel mill products

3312500, 2899598—INDIA—1815 kgms. ⅛" or 3.25mm dia. alloy steel, copper coated wire to be supplied in about 45.35 kgms., 100 lbs. coils & 558.08mm (22" dia.) spool, or 76.2mm (3") wide and/or 50.08mm (2") thick for submerged arc welding of steel. Weld deposit should be same in chemical composition & mechanical properties of base metal & those obtained from welding electrodes. Weld used deposit should be of radio graphic quality. 2722 kgms. neutral flux for use with above wire & should be packed in moisture proof containers & package should be ship & train worthy. 6350 kgms welding flux to be used with McKay 110-S alloy steel wire size or 2.38mm (3/32") (imported quality) conforming to E-11008 manual welding electrodes. Import against free foreign exchange. Tender notification with complete instructions available from Dept. Commerce, TOP, RM. 2321, Wash. D.C., tel. 202-377-2251. Submit bids to Chief Purchase Officer, Beas Purchase Organization, Talwara Township 144216, Dist. Hoshiar, Punjab, India. Refer to bid no. 1780/PR/-74178/W-2715 & 2716; bid deadline May 29.

3312600-700 — BANGLADESH — 751,000 rft. gas line 1 pipe, erw, m.s. uncoated black, bevelled ends, as per api 5L grade "B" spec. & various sizes; 398,500 uncoated, black, seamless steel pipe as per api 5L grade "B" spec. & various sizes; 2,000 rft stainless steel instrument tubing 2,000 (min.) length 10 ft. (approx.) various sizes; refer to bid no. MCD.2312/320-P, bid deadline May 25. Also, 1055 m/t mild steel strips, not rolled, either rimmed or semi-killed at supplier's option of various size & specs. Strips should be made from open-hearths, electric furnace or basic oxygen steel for mfr. of tubes by continuous electric resistance, high frequency, induction welding process; refer to bid no. MCD.2312/320-STRIP, bid deadline May 31. Financed by Asian Dev. Bank Loan No. 255 BAN (SF)—Procurement (3rd Lot). Quotation should be cost & freight Chittagong (by sea freight). Prescribed tender form & other docs. giving detailed specs., requirement, terms & conditions available for TK. 1,000 each tender (about $66) not refundable from Gen. Mgr., Titas Gas Transmission & Distribution Co. Ltd., 7 Motijheel Commercial Area, Dacca 2. Cable "TITASGAS", DACCA; telex PETRODAC-725, DACCA.

3317620—EGYPT—Supply steel pipes for boilers. Tender docs. must be purchased at below address by payment of L.E. 5, U.S. $7.14, per copy prior to submitting offers. All offers must incl. provisional guarantee 2 percent total value offer; subject to increase to 10 percent in event offer accepted. Obtain bid docs. from—Industrial Gases Co., 74, Al Gomhouria St., Cairo. Refer to tender no. 11/A/78. Bid deadline June 8.

Iron, steel foundries

3321745, 3494641—EGYPT—65 kilometers

700-1,000 mm pipes incl. 200-1,000 mm fittings. Valves & hydrants. Tender for Alexandria Waterworks Extension Project, financed by Intl. Bank for Reconstruction & Dev. Only firms World Bank member countries & Switz., or their authorized Egyptian agent eligible submit offers. This is multimillion dollar tender. Interested U.S. firms urged contact their Egyptian agents to purchase conditions & specs. tender for $100 ea. at below address prior to submitting offers. Copy tender conditions & specs. available (for review only) from Dept. Commerce, TOP, Room 2321, Wash., D.C., 20230, tel. 202-377-2251. Obtain bid docs. from—Foreign Purchase Dept., Purchase & Contract Gen. Div., Alexandria Water Gen. Authority, 61, Ave. El Horreya, P. O. Bag, Alexandria, Egypt. Refer to bid no. 2 W.B. Bid deadline May 27.

Fabricated structural metal products

3448114 — EGYPT — Supply 4 workshops made of steel to be used in desert areas. Specs. follows—location, desert area near Cairo; span, 3 spans ea. 12 m. or closest dimensions, according to mfrs. standards; longitudinal length, approx. 72.00 m. or closest dims., according to mfr. standards; clear height, 7.50 m.; roof pitch, 1-10. Roof mounted natural ventilators necessary to prevent increase interior temp. to more than 30 degrees C. at any time of year for avg. max. exterior temp. of 35 degrees C. One of 4 structures to be equipped with 3 overhead cranes, 5 ton cap. for ea. span. Roof & side cladding—dust-proof aluminum or other light metal cladding with necessary insulation to prevent increase interior temp. to more than 30 degrees C. at any time of year for avg. max. exterior temp. of 35 degrees C. Windows, continuous row of "project in" steel or aluminum windows, height 2.5 m. 6 exterior sliding metal doors 4 m. wide, 4 m. height. Flooring, concrete. Interior illumination, necessary no. electric illumination fixtures to give intensity of lighting 300 lux. Complete with wiring & switchboard, main supply 3-phase wire system 3 x 380/220 v., 50 c/s. Port of delivery, c.i.f. Alexandria; payment, Egyptian pounds; customs not to be included in price; time of delivery, min. period; erection to be stated in offer; price incl. erection, price for sending technicians for supervising erection & training personnel in erection technique. Above offer to be sent directly to Central Organization for Major Products for Armed Forces, Stadium St., Manchiet El-Barry, Cairo. No bid deadline stated.

Screw machine products

3452511—THAILAND—Supply & delivery 400,000 sets elastic rail clips, with bolts & nuts, for use with welded B.S. 70 R rails on wooden sleepers for meter gauge track. Financed by State Railway of Thailand's budget. Tender docs. for sale at $5 per set from Store Bureau, State Railway of Thailand, Yodse, Bangkok. Refer to bid no. 21101. Bid deadline May 29.

Fabricated metal products

3494400—BANGLADESH—Total of 777 pieces (in different sizes & quantities) valves flanged, raised face, plug type, tapered, short/regular pattern, steel, standard type, wrench operated, flanges & drilling. Financed by Asian Dev. Bank loan no. 255 BAN (SF)-Procurement (3rd lot). Quotation should be c.&f. Chittagong basis (by sea freight). Prescribed tender form & other docs. giving detailed specs., requirements, terms & conditions available for T.K.250 (about $16; not refundable) from Bangladesh missions abroad or Gen. Mgr., Titas Gas Transmission and Distribution Co., Ltd., 7 Motijheel Commercial Area, Dacca-2. Refer to no. MCD.2312/320-VALVE dated March 7. Cable TITASGAS DACCA; telex PETRODAC-725, DACCA. Bid deadline June 20.

Engines, turbines

3519310—MALAYSIA—Supply & delivery 200 units 45 BHP marine diesel engines for proposed fisheries dev. project. Tender docs. available address below & are to be obtained in person upon written request on tenderer's letterhead by payment of certified check or money order in amount of M$50. per copy not refundable, payable to Bank Pertanian Malaysia at address below & must be obtained prior to submitting offers. Financed by loans from ADB. (US$1.00 approx. M$2.34). Obtain bid docs. from—Gen. Mgr., Bank Pertanian Malaysia, Jalan Sultan Hishammuddin, P.O. Box 815, Kuala Lumpur. Bid deadline June 1.

Metalworking machinery

3547000—SYRIA—Supply spare parts for Hama Rolling Mill Plant. Tender bond 5 percent tender value; final bond 10 percent contract value. Delay penalty 1 per thousand daily. Offer valid for 3 months after deadline. Delivery soonest. Mode of payment not defined. Tender book obtainable upon payment of 200 Syrian pounds ($1 = 3.90 Syrian pounds) from General Company for Iron & Steel Products, P.O. Box 24, Hama, Syria. Refer to bid no. T/1/1090. Bid deadline May 25.

Important Notice

Most member countries of the League of Arab States employ a secondary boycott against foreign firms which undertake certain specific types of business relationships with the State of Israel. The Commerce Department will not disseminate nor make available for inspection any tenders or trade opportunity documents which contain conditions intended to support such boycotts, or which are based on documents known to contain such provisions. Trade or investment opportunities published herein are not presently known to be subject to such conditions. However, it is possible that U.S. firms responding to opportunities from Arab countries may be asked at some stage of a transaction to participate in an Arab boycott-related restrictive trade practice as defined in the Department's Export Administration Regulations (15 CFR, Part 369 et. seq.).

Firms are reminded that it is the policy of the United States (a) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person, and (b) to encourage and, in specified cases, to require United States persons engaged in the export of articles, materials, supplies or information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting such restrictive trade practices or boycotts. Violators of U.S. anti-boycott law are subject to severe penalties including fine, imprisonment and revocation of export license privileges.

Firms are further reminded that U.S. concerns receiving requests to participate in a restrictive trade practice or boycott must report such request to the Department of Commerce in accordance with Section 369.6 of the above-cited regulations.

Special industrial machinery

3559300, 9913308—YUGOSLAVIA—Plastics mfr. & processor Jugovinil asking for bids for complete plant for soft & semi-hard PVC foil. Cap. 6,000 tons annually on basis 6,000 working hrs. Foil thickness from 200 microns to max. possible. Useful width foil 1,800 mm. Bid should cover equip., design, supervision & trial-run. Equip. for mfg. plant should incl. production line, heating & instrumental air units & spare parts for 2-yr. period. Indicate cash or credit terms. Delivery free Yugoslav border, fully insured from supplier to site, incl. packaging. Submit bid in 6 copies with details, literature, warranty, references, etc. For details write to Jugovinil-Uvoz, telex 26123 & 26106. Reply to—Komercijala-Uvoz, Jugovinil, 58212 Kastel Sucurac, Yugoslavia. Refer to bid no. K-306 SL-13/78. Bid deadline May 31.

General industrial machinery

3561000 — TANZANIA — Supply surface pumpsets shown in tender doc. Interested bidders asked to study carefully tender doc., particularly to provide all tech. data before bidding. Tender doc. available from Dept. Commerce, TOP, Rm. 2321, Wash., D.C. 20230, tel. 202-377-2251. Submit bids to—Secretary Central Tender Board, P.O. Box 49, Dar Es Salaam. Refer to bid no. 2 (MAJI) 1978. Bid deadline May 26.

3569120—EGYPT—Detergent carton filling machine having following specs.—output 300 cartons/min; carton used, side glued flat carton; gluing device to seal bottom & upper flaps; product vol. according to size carton controlled by telescopic tubes allowing time of filling; machine stopped automatically if product fails to enter feeding pipe or if carton incorrectly filled; level product in carton checked by photocell; adjustable compression belts with suitable length; mechanism must be totally enclosed within base of machine & force-lubricated; machine must incl. speed indicator or numericator; machine must be easily changed to accommodate different carton sizes; available electric supply 3-phase 380 v., 50 C/S; panel control for machine must be provided; machine must incl. all electrical installation. Spare parts for 2 years. Interested firms urged contact their agents in Egypt. Price quotations requested f.o.b. & c.&f. Alexandria. Preliminary letter of guarantee 2 percent value tender required. In event firm order materializes guarantee will be increased to 10 percent. Bid docs. must be obtained from Foreign Purchases Committee, Egyptian Starch & Yeast & Detergents Co., 30 Salah Salem St., Alexandria, Egypt. Cable STARCHRICE; tel. 69546. Refer to bid no. 7/78. Bid deadline May 28.

3569961—EL SALVADOR—One automatic water spraying system, & various other pipes, hydrants & accessories for protection of 40 mva & 3.25 mva transformer. Financed by World Bank. Bid. docs. available at address below for 75 colones (U.S. $30), & must be obtained prior to submitting offers. Work must be delivered by 04/30/79. Bidders not previously qualified

must submit with offer following info.—record of experience in similar work; brochure statement of financial resources; description of plant & organization; banking references; & other info which will aid in judging bidders qualifications. Obtain bid docs from—Comision Ejecutiva Hidroelectrica Del Rio Lempa (CEL), Calle Poniente No. 950, Centro de Gobierno, San Salvador, El Salvador. Refer to bid no. CEL 567. Bid deadline May 31.

Office, computing, acct. machines

3572000—WEST GERMANY—Braille displays & tactiles. SEL, a very large mfr. & exporter of communication equip., wishes add U.S. products. Employs over 35,000 & lists annual sales volume of DM 1.8 billion. Most favorably known to Consulate General. Reply to— Mrs. Anny Jacob, PNS/EWPG-3, Standard Elektrik Lorenz (SEL/ITT), Hellmuth-Hirth-Strasse 42, D-7000 Stuttgart 40, Germany. Telex 72110; tel. 711/8215444.

Service industry machines

3585100 — YUGOSLAVIA — Continuous freezing tunnel for strawberries. Cap. 2,500 kg/hr. Entrance temperature 20 degrees celsius, exit temperature minus 20 degrees celsius. Submit bid in 3 copies. Bid should incl. description, price, delivery deadline, tech. warranty, list spare parts, payment conditions. Firm importing this tunnel for food processing industry "Podgorka" Oscina. Submit offers to—Ponuda—Konkurs, Vocarcoop, Pircaninova 37/II, 11000 Beograd, Yugoslavia. Refer to bid no. B-541 ST 12/78. Bid deadline June 8.

Electric transmission, distrib. equip.

3612220, 3613700—ARGENTINA—4 transformer banks, 800mva. composed of 3 single-phase units ea. outdoor type. Oil bathed. 800mva nominal power for secondary unit & 266mva for tertiary unit. 4 transformer banks similar to those described above, but with switching equip. 4 power relays for 3-phase automatic controls. Financed by World Bank. Bids will be received until 1 day prior to closing date, & must be valid for min. 120 days from bid closing date. Offer should incl. guarantee bond amounting to no less than 1 percent total estimated budget. f.o.b. (U.S. port) quotations requested. Quotation of imported equip. should be provided in U.S. dollar currency. Quotation should incl. costs construction & start-up supervision. Delivery dates 1st transformer bank should be 16 mos. from date contract. Payment terms would be 30 percent total, 30 days after receipt purchase order, 70 percent total, against shipping docs. Obtain bid specs. for $10,000 Arg. pesos (U.S.$1.00 = $713.00 Arg. pesos). From—Suministros Especiales, Servicios Electricos Del Gran, Buenos Aires, Segba-Suministros, Especiales, Av. Paseo Colon 275, 6 Piso, 1063 Buenos Aires, Argentina. Refer to bid no. 4038. Bid deadline June 8.

3613200, 3621000—EGYPT—Four high-tension oil circuit breakers 350 mva, 300 amps. 11 k.v. with overload & motor & no. voltage coil. Four squirrel cage motors 40 h.p., 3000 r.p.m. delta, 3 phase, 380 v., 50 c/sec. Interested firms urged contact their agents in Egypt. Price quotations requested f.o.b. & c.&f. Alexandria. Catalogs also required. Preliminary letter of guarantee 2 percent value of tender required. In event firm order materializes guarantee will be increased to 10 percent. Obtain bid docs. from — Foreign Purchases Committee, Egyptian Starch & Yeast & Detergents Co., 30 Salah Salem St., Alexandria, Egypt. Cable—STARCHRICE; tel. 69546. Refer to bid no. 8/78. Bid deadline June 4.

Household appliances

3634198—CANADA—Ceiling fans. Small, 4-man firm dealing in retail specialty items. New operation serving British Columbia & Alberta. Annual volume of sales predicted to reach $300,000. Requires immediate delivery. Reply to—Don Close, Pres., Just Oak N'Brass Co., 1808 West 5th Ave., Vancouver, B.C., Canada. Tel. 604-738-2221.

Electric lighting, wiring equipment

3648531 — INDIA — Supply & installation inset airport pavement light fittings—provision of category II approach lighting system at 28 approach main runway 10/28, incl. runway center line lights & touch down zone lights at Delhi Airport. Import likely against free foreign exchange. Tender docs. along with detailed specs. & conditions of contract available for RS 150 (approx. $19), per set, at below address by sending check to order of Airport Director, IAAI, Delhi Airport, Palam, New Delhi. Interested bidders must obtain tender docs. prior to submitting offers. Refer to AMED/DRG/TENDER/78—Category II Lighting. Obtain bid docs. from—Executive Engineer (Electrical), Airport Maintenance Electrical Div., Internatl. Airports Authority India, Delhi Airport, Palam, New Delhi 110010, India. Bid deadline May 31.

Communications equipment

3661100—SINGAPORE—Supply, installation & commissioning pabx equip. at upper basement, passenger terminal building, Changi Intl. Airport. 2 proposals must be submitted, 1 for system I & other for system II. Tender deposit of S$2,000 (approx. US$850) should be paid in form of bank draft in favor of Telecommunication Authority of Singapore for those suppliers who do not have agent in Singapore. Prospective tenderers will have to write direct to Authority for bid docs., together with required tender deposit, prior to submitting offers. Specs. available from Dept. Commerce, TOP, Rm. 2321, Wash., D.C. 20230, Tel. 202-377-2251. Reply to—Chow Chin Tong, Purchasing Dept., Supplies Div., Telecommunication Authority Singapore, 4th Fl., Plaza Singapura, 68 Orchard Rd., Singapore 9. Refer to tender no.—PT/40/78(Z). Bid deadline June 16.

3661100 — SWAZILAND — 12 new rural automatic exchanges as follows—2 for 400 lines; 1 for 300 lines; 2 for 250 lines; 3 for 200 lines; 3 for 150; 1 for 100 lines. New exchanges will be parented on existing Hitach C400 crossbar exchanges in Mbabane & Manzini. Equip. required in Mbabane & Manzini not incl. in this tender. All exchanges rural "end" exchanges with exception of 1 which provides tandem facilities for 2 other exchanges, & 1 which provides tandem facilities for still another exchange. Exact type equip. to be supplied not specified. Tenders incl. comprehensive service of delivery (c.i.f.), training, supervision installation & maintenance & supply spare parts. Installation program proposes 2 exchanges being installed simultaneously in continuing program. Tender docs. available for $60 from Chief Engineer, Dept. Posts & Telecommunications, P.O. Box 125, Mbabane, Swaziland. Tel. 3131; Telex 2019 WD. Refer to tender no. 94-77/78. Bid deadline June 23.

3661100-200 — MALAYSIA — Tenders for stored program controlled intl. exchange with initial cap. for 200 terminations issued. Interested parties must purchase tender docs. through their local agents for M$150 (U.S.$100 approx. M$2.34) from—Dir. Gen., Telecommunications Dept., Jalan Bukit Mahkamah, Kuala Lumpur 05-01. Bid deadline about June 15.

3661153—COLOMBIA—Bogota Telephone Co. interested in acquiring 5 units automatic telephone switching equip. with 2 high tenson circuits & 1 distribution circuit at 11,400 v. each. Specs. available at address below for 3,000 pesos or $78 1st copy & 500 pesos or $13 ea. addl. copy, not refundable, & must be obtained prior to submitting offers. All bidders must incl. guarantee bond equivalent to 1 percent total offer value, valid for 120 days as of tender's closing date. Proposals from foreign firms must be presented only through local agents. Refer to—Lic. Pub. Intl. 003/78. Obtain specs. from—Div. De Materiales, Empresa De Telefonos De Bogota, Carrera 7 No. 20-37, Of 902, Bogota. Bid deadline May 26.

3661167—PAPUA NEW GUINEA—Remote & exchange end line concentrators units. Quotations to cover initial capacities approx. 25, 50 or 125 subscribers. Tender also calls for cost max. sized unit manufactured. Details no. subscribers & junction termination to be stated. Tender requires mfr. to supply "remote end" sealed housing or containers for line concentrators together with power supplies for units. If applicable, tender calls for basic line concentrator unit (remote & exchange end) for demonstration purposes. Est. quantity for 3-4 unit/yr. ea. type during period 3 yrs. Govt. favorably disposed to U.S. equip., but it must be able to interface with Erisson equip. Obtain bid docs. from—W. S. Peckover, Chairman, Supply & Tender's Board, Dept. Public Utilities, P.O. Box 171, Port Moresby, Papua New Guinea. Refer to bid no. P&T86. Bid deadline June 30.

3661200—CHILE—Supply power line carrier system for central Antuco. Financed under IDB loan 267/OC-CH. Specs. available in Spanish for 600 Chilean pesos (approx. US$20) from Endesa S.A., Santa Rosa 76 Piso 8, Of. 814, Santiago, Chile. Refer to bid no. IDB 267/OC-CH. Bid deadline June 5.

Motor vehicles, equipment

3711231 — BURMA — Supply of 7 long wheel base 4x4 gasoline-powered pick-up trucks, bid no. 18/IDA/TCFP. Also supply of 8 gasoline-powered 1½-ton pick-up trucks with 4x4 transmission, bid no. 19/IDA/TCFP. Both financed with IDA credit. U.S. Embassy Rangoon will forward copies bid invitations & specs. for $6.25 per set, in form of check drawn on U.S. bank, payable to U.S. Embassy, Rangoon. Submit bids to—Managing Dir., Timber Corp., Ahlone P.O., Rangoon. Both bid deadlines May 31.

Aircraft, parts

3721200-300, 3732200-500—PAPUA NEW GUINEA—Govt. Defense Force interested in purchasing following—4 aircraft over next 1-4 yrs. to replace current fleet of DC 3's. Defense Force has not yet decided on exact specs. but would be interested in plane at min. similar to U.K.-built Skyvan or at max. F27. Should be capable carrying 35-40 men & have air drop capability. Should be powered with twin turbo-props & have dual pilot operation. At min.,

should be able to land on same air fields as DC3. 5 patrol boats 33-45 meters in length equipped with twin marine diesels & capable speeds up to 25 knots. Boats should carry ship's company of no more than 25 but be capable carrying 30-man soldier platoon up to 12 hrs. Contact—Defense Supply Agency, PNG Defense Force, Murray Barracks, Boroko, Papua New Guinea.

Shipbuilding, repairing

3731141-327—ZAIRE—4, 6, 8, 10 or 12 dry cargo barges 1000t dwt. One workshop boat for river use. Equip. will be used to augment facilities of state-owned River Transport Co. Financed by World Bank loan. Bid specs. must be purchased for 50 Zaires ($62.50) from Embassy of Zaire, 1800 New Hampshire Ave., NW., Wash., D.C. 20009, tel. 202-265-9717, or Honore Paelinck, Delegue Gen., Pres. De La Commission Des Adudications, Cabinet Du Delegue Gen., Off. Natl. Des Transports (ONATRA), B.P. 98, Kinshasa. Refer to bid no. 8F/0200. Bid deadline July 3.

3731161-181-327, 3531410-7100 — URUGUAY—Natl. Admin. of Ports will shortly be calling for bids for purchase of—2 dredges, 2 dump-scows, 2 high powered tug boats, 2 moveable cranes & several small lift trucks. World Bank is considering loan to Uruguay in part to finance purchase of this equip. to modernize port. Some of the equip. is needed urgently, however, & govt. may proceed immediately. Reply to—Ing. Giribaldi, Administracion Nacional De Puertos, Rambla Roosevelt 160, Montevideo.

3731325, 9913107—EGYPT—Building & delivery 2 fuel oil & 1 fresh water tanker vessels. Tender docs. must be purchased by payment of U.S.$200 from—Suez Canal Authority, Procurement Dept., Ismailia, Egypt. Bid deadline June 12.

3731327—INDIA—Two self-propelled Bollard pull motor tractor tugs each having 32.5 m/t Voith Schneider-Schottel type. Each should be equipped with fire pumps, fire monitors, deep suction fittings with measurements not exceeding 32 meters overall length & 9.5 meters breadth. Suppliers must obtain tender docs. on payment of RS.300 or US$36 from R. G. Govindarajan, Chief Mechanical Engineer, Bombay Port Trust (BPT), Cme's Office, Nirman Bhavan, 5th Fl., Mazagon, Bombay 400 010. Refer to bid no. CME 9/1978. Bid deadline May 31.

Railroad equipment

3743200—TUNISIA—SNCFT, state company responsible for railways in Tunisia, issuing intl. tender for supply of 80 covered engine wagons for standard railway gauge, 170 covered engine wagons for metric gauge, 100 container wagons for metric gauge, 90 container wagons for standard railway gauge, 300 iso containers (20" x 8" x 8") for general type freight. Tender docs. & specs. no. MT-13 must be purchased for $100 from Societe Nationale Nes Chemins De Fer Tunisisienes, 67 Ave. Farhat Hached, Tunis. Telex 12 019 TN; Tel. 242 188. Bid deadline June 15.

3743205—MALAYSIA—Supply 15 executive class passenger coaches. Tenderers having no agent in Kuala Lumpur must appoint authorized rep. in Kuala Lumpur to carry out all necessary procedures on tenderer's behalf. Tender docs. must be obtained prior to submitting offers upon payment of M$350 (US$1.00 approx. M$2.34) from Stores Superintendent, Malayan Railway Administration, P.O. Box 1049, Sentul, Kuala Lumpur. Refer to tender no. KTM 01/78. Bid deadline May 25.

3743209—NEW ZEALAND—CME spec. 1143 calls for tenders for 88 electric multiple unit train sets (EMU) for Wellington. Required for electrified line of 1500 volts D.C. gauge 1067 mm (3 ft. 6 ins.). 2 types of cars required. 44 ea. of—Type A. Consisting of driving cab, luggage compartment at 1 end & toilet at other end, rest of car to consist of passenger seating. Type B. Consisting of driving compartment at one end, rest of car allocated to passenger seating. Min. multiple unit 1 car of each type (1 set). Max. multiple unit of 8 cars, i.e., 4 sets. Driving cab in ea. car to be at outer end arranged for righthand driving position. Delivery required urgently & tenders to supply best delivery dates. Delivery of total order can be staggered, but ea. partial delivery must consist of equal numbers of types A & B units. Units to be delivered as fully complete as possible. Price c.&f. basis. CME spec. 1138 calls for 50 cars for suburban passenger train set to service Auckland suburban railway routes. To be supplied complete & fully assembled. Price c.&f. basis. Units are to be hauled by diesel electric locomotives & will not operate with existing passenger units. "Push-pull" operation preferred to facilitate train movements, i.e., locomotive remains at one end of train set & driving can be done from locomotive or special car fitted with cab car & controls at other end of train. Tenders requested provide alternative quotations for cars with or without "push-pull" features, depending on their product range. Types of cars are—Type X. Fully seated passenger unit with toilet, 19 units. Type Y. Fully seated passenger unit without toilet, 19 units. Type Z. Composite car consisting of passenger compartment, crew compartment, power generation equip., & luggage compartment, or type Z1. Same as type Z with driving cab fitted for "push-pull" operation. 12 units required. Min. train consists of 1 pair of cars & 1 composite car. Max. train 4 parts with a composite car. Gauge 1067 mm (3 ft. 6 inches). As much as possible, these units to be standardized with new Wellington EMU (Spec. no. 1143). Delivery ASAP, must supply Wellington units before Auckland units. Est. value NZ $40-50 million. Delivery hopefully to begin within 18 months of acceptance. Object to bring to country most advanced multiple units & trailer coaches that overseas technology can devise to suit New Zealand suburban needs. Rolling stock to be replaced 40 to 50 years old & becoming increasingly difficult to maintain. Copies of tenders, specs. & drawings available from Senior Trade Commissioner, New Zealand Embassy, Suite 600, 1707 L St., NW., Wash., D.C. Tel. 202-331-9820. New Zealand Railways funded by govt. Refer to Bid No. Chief Mechanical Engineer (CME) Specs. 1143 & CME Specs. 1138. Submit bid docs. to—J. Lundy, Dir. of Stores, Stores Branch, New Zealand Dept. of Railways, Private Bag, Wellington. Bid deadline June 14.

Engineering, laboratory, scientific, research instruments

3811200—LIBYA—Laboratory equip. as detailed below for animal nutrition lab., prices to incl. air freight to Tripoli & delivery date to be clearly stated, 1 ea.—combined Macro Kjeldahl digestion & distillation apparatus, 12 places; digital PH meter complete; amino acid analyzer liquid chromatograph; sterilizer, electric horizontal automatic operation, 32 32 61 cm; continuous infusion apparatus, 12 speed, from c. 0.5 ml/h to 300 ml/h; micro balance single pan, cap. 30 g, readability 0.001 mg; ultracentrifuge with refrigeration & vacuum system, max. speed 50,000; 3-channel liquid scintillation counter; atomic absorption spectrophotometer; gas chromatograph for volatile fatty acids etc.; severing house PH/blood gas system; spectrophotometer double beam with digital readout; oven vacuum large size; microscope research with photomicrographic attachment; water bath incubator shaking large size; furnace muffler 21 liters; ultrasonic apparatus for cleaning glassware; balance top loading precision, cap. c. 10 kg; titration stand assembly with magnetic stirrer, & hot plate; Kjeldahl digestion & distillation assembly, micro, 12 places; fermenter complete with culture vessel, magnetic stirrer, temperature control, aeration provision, nutrient/harvest pump, PH control & timed pump for addition of antifoam; flask shaker, 6 places for 6 flasks of 500 ml.; also 3 titration stand assemblies with magnetic stirrer, unheated. Financed by Libyan Govt. through Libyan commercial bank. Write to—Dr. Abu Bakr Ramli, Dir., Animal Production Dept., Sec. Agriculture & Agrarian Reform, Sidi Al-Masri, P. O. Box 2480, Tripoli. Submit offers ASAP.

Measuring & controlling devices

3823000—INDIA—Equip. for instrumentation of box tunnel construction, complete with accessories—5 vibrating wire piezometers & components. Accessories—measuring cable—100 meters; junction box for 10 transducers, 2 nos.; special moulding compound, 1 kg. 1 vibrating wire inclinometer, accessories—measuring tube assembly—30 nos.; lockable end caps, 5 nos.; auxiliary tools, 1 set. 7 vibrating wire earth pressure cells, accessories—special moulding compound, 2 kgs.; junction box for 10 transducers, 1 nos. 1 read out equip. 1 switching unit for 20 gauge. Detailed specs. & tender docs. must be procured on payment of RS 20 ($2.45) from Controller of Stores, Metropolitan Transport Project, (Railways), 12 Mission Row, 3rd Fl., Calcutta 700001, India. Refer to bid no. GLOBAL S/34/78/GI. Bid deadline May 30.

3823061-2-3-4 — BELGIUM — Pressure & draft instruments, recorders, noncontrol; indicators; transmitters, producing standardized analog transmission signals. Big company estab. 1925, has 2 divisions—textile div. producing blankets & cleaning rags, machine construction div. which mfrs. textile machinery & centralized automatic lubricating systems, & employs about 200. Reply to—Mr. M. De Jonge, Manta N.V., Neerstraat 58, B-9170 Waasmunster, Belgium. Tel. 052/47.86.31; telex 2/21695.

3825100—TURKEY—M. V. shunt reactors. Financed through IBRD loan. Refer to bid no. 107-ST/318 (File No. 611.5/TSRO.3. Obtain bid docs. from—TEK—Sebekeler Dairesi Baskanligi, Necatibey Caddesi No. 3, Sihhiye, Ankara, Turkey. Bid deadline May 25.

3825151, 3662500, 3824000, 3825225-97—INDIA—20 water current measuring meters with accessories such as wading rods, gauging reel winches, sounding

weights, stand type cable cars, cranes, power drive units, cable car pullers, & head phones. 4 echo sounders. 5 micro-moulinets type water current measuring meters. 20 automatic gauge recorders. 10 pneumatic gauges. Interested suppliers obtain tender docs. at RS. 60 (approx. $7.50), additl. mailing cost $2, from D. K. Naik, Executive Engineer, Water Resources Investigation Div., (WRI), Public Works Dept., Govt. of Gujarat, Bhadra, Ahmedabad, 380 001, India.

Construction

9911207—KUWAIT—Ministry of Education will be opening tenders for turn-key teaching labs of following types—statistical laboratory, psychological laboratory, educational material center, micro-teaching/learning center, & special education/kindergarten center. Two complete audio-visual centers for colleges of medicine & engineering will be tendered for Ministry of Education as well. For additional info., contact—Abdulqader Banat, Commercial Mgr., Zaid Al Kazemi Sons Trading Co., P.O. Box 30 Safat, Kuwait. Cable ALKAZEMI KUWAIT; telex 2339 KT.

9911208—ALGERIA—Design & erection 1 prefabricated turnkey self service restaurant & recreation complex for 1,500 people at Base Residentielle (residential base) of Oued Irara, Hassi-Messaoud (S. Algeria). To obtain further info. & tender docs., firms must write to address below. Offer to remain valid 90 days past bid deadline. Offer & all corres. must be in French; all specs. metric. Obtain bid docs. from—Direction Production, Service Mtg, SONATRACH, B. 37 Region De Hassi-Messaoud, Hassi-Messaoud, Algeria. Telex 44068. Bid deadline May 30.

9911213—SUDAN—Tenders invited from competent contractors for construction 34 warehouses complete at Port Sudan (D.R. of Sudan) as phase 1 of total 200 warehouses at Red Sea region. Tender docs. must be obtained from below address against payment of L.S. 100 ($250) prior to submitting offers. Tenders will be accepted for 4 warehouses as unit; tenderers should deposit L.S. 4000 ($10,000) by certified check or letter of guarantee valid for 3 mos. after closing date. Tenderers for more than 1 unit should multiply deposit accordingly, which is refundable to unsuccessful tenderers. Separate offers per unit for lighting & fire systems may be added as option. Tenders to remain valid for 3 mos. from tender closing date. Bids should also carry prescribed duty stamp. Firms interested in communicating with Emirates & Sudan Investment Co., Ltd., should direct their inquiries to Dr. Abdel Hafeez A. El Rafai, Mng. Dir., telex 524 EMSU KM; telegram EMSU. Obtain bid docs. from—Managing Dir., Emirates & Sudan Investment Co., Ltd., P.O. Box 7036, Khartoum, Sudan. Refer to tender no. EMSU 101/78. Bid deadline June 20.

Communication projects

9912500—ARGENTINA—5 complete radio linkage systems to install in microwave links connecting following points—Rosario-linkage systems to install in microwave lin El-Trebol, Bariloche-Esquel, Chivilcoy-Santa-Rosa-General Pico, Cordoba-Villa Dolores, Campo Duran-Tarija, Bolivia. All radio linkage systems except Bariloche-Esquel & Cordoba-Villa Dolores links will have 1200 radio transreceptors for 960 high cap. tel. channels, tv channel, & reserve channel. Bariloche-Esquel segment will have 300 tel. channels & reserve channel whereas Cordoba-Villa Dolores segment will have 120 tel. channels & reserve channel. Contract will run for 5 years; following supply & installation of 5 radio linkage systems described above during 1st yr., contractor will be expected initiate local mfr. of remaining components requested in contract to be used in other radio linkage systems. Total amount & type components to be supplied over 5 years, incl. those within 5 complete radio linkage systems, are—450 antennas, 32,000 meters antenna feeders (wave guides), 500 modems, 250 transmitters of telesignals, & 500 receptors of telesignals. Value this equip. $18 million. Bid docs. available for 500,000 Argentine pesos ($708.21) from—Direccion De Abastecimiento, Entel Argentina, Av. La Plata 1540, 3 Piso, Buenos Aires. Refer to 1273/77 "RADIOENLACE GLOBAL."

9912901—GREECE—Supply & laying 5 mhz, 480-circuit submarine cable system to connect Greece (Crete Island) & Syria (Tartous). Turn-key project & incl. route survey, supply cables, equip. & materials, laying & installation, commissioning & delivery. Tender will be held simultaneously in Damascus & Athens at time & date indicated below. Bid bond has been set at $250,000 & performance bond at $500,000. Est. at $13 million, project will be financed jointly by 2 agencies concerned (STE & OTE). Bid docs. obtainable from Syrian Telecommunications Establishment (STE), Direction of Contracts, Adjabri St., 3rd Fl., Damascus, Syria, or Hellenic Telecomm. Organization (STE), Call for Bids Div., 6 Kleisovis St., Athens, Greece for $100 per set. Refer to bid no. 7250. Bid deadline June 7.

Manufacturing plants

9913107—INDONESIA—Firms invited to bid for fishing vessels construction under tender no. VII/PPM/IDA from Indonesian Shipbuilders for construction 2 of 100 g/tons, steel hull, refrigerated carrier-cum-fishing vessels for skipjacktuna pole & line fishing operations. Procurement of above vessels' machineries, equip. & accessories under tender no. X/PPM/IDA from any & all suppliers in countries which are members Intl. Dev. Assoc. or Switzerland. Funded by IDA credit no. 480-IND. Each tender doc. obtainable for rupiah 50,000 (approx. $120.48) from Perum. Perikanan Maulku, C/O Directorate Gen. Fisheries, Ministry of Agriculture, Jalan Salemba Raya No. 16, Jakarta Pusat, Indonesia. Bid deadline May 29.

Metals production & processing

9914107—INDIA — Escorts Ltd., (EL) wishes to represent U.S. mfrs. of plant & machinery for production cold rolled non-oriented (crno) silicon steel, cold rolled grain oriented (crgo) silicon steel & hot rolled silicon steel. EL is large, diversified co. mfg. & marketing wide range industrial & engineering prods., & farm equip. Sales Agency Div. reps. several leading foreign firms in India. Ann. business turnover about $100 million. With tech. assistance of ARMCO Steel Corp., integrated public sector Rourkela Steel Plant (RSP) plans diversify activities for production 36,000 m/t crno & 37,500 m/t crgo silicon steel annually. Provisions have also been made for 100 percent future expansion of this capacity. ARMCO's technology calls for making steel by LD process supported by secondary oxygen refining process, vacuum degreasing process & rolling silicon steel slabs. Is hot strip mill. List of equip. available from Dept. Commerce, TOP, Rm. 2321, Wash., D.C. 20230, tel. 202-377-2251. Since bid deadlines for submitting firm quotations to RSP are between June 19 to 24 for equip., El is interested in finalizing agency arrangements with prospective U.S. suppliers ASAP. Interested companies should directly contact Harish Bhargava, Gen. Mgr., Sales Agency Div., Escorts Ltd., 6 Pratap Bldg., Connaught Circus, New Delhi 110001, India. Cable ESCORTS. Telex 031-2253; tel. 43026.

Natural resource utilization

9915104-5-6-9, 9916400, 9917303 — JAMAICA—Prequalified contractors to construct drainage channels to collect & carry overland & subsurface flows to Black River. Total mileage territory, secondary & main drains, 159 or 256 km. Approx. 11 miles (18 km) dikes to be constructed along Black River. Construction gravity & pressurized systems of irrigation to supply 4,000 acres. 3 pump stations to accommodate 26 pumps to provide 2,900 cu. ft. water/sec. Supply & installation pumps will not be incl. in construction contract. Construction 58 miles main & feeder roads. No. culvert crossings will be incl. within road system. Contractors will be required to erect & complete bldgs., dikes, drains, irrigation systems, roads & services in accordance with drawings & contract docs. defining works. Financed jointly by special loan no. 538/SF-JA of IDB & Govt. Jamaica. Prequalified docs. available from Director, National Development Agency, 6th Fl., 12 Ocean Blvd., P.O. Box 778, Kingston, Jamaica. Tel. 9225445. Prequal. deadline May 31.

9915109, 3321500—JORDAN—Supply & delivery to Aqaba of ductile iron pipes & fittings for incorporation into Aqaba region water supply project. Govt. has applied for loans from Arab Fund for Economic & Social Dev. & Saudi Fund towards cost of project. Supply & delivery following pipe—22.5 km 800 mm dia.; 28.2 km 600 mm dia.; 29.8 km 500 mm dia.; 4.2 km 4,550 mm dia.; 3.6 km 400 mm dia.; 1.6 km 350 mm dia.; 1.4 km 300 mm dia.; 9.6 km 250 mm dia.; 1.1 km 200 mm dia.; 13.7 km 150 mm dia.; 8.5 km 100 mm dia.; misc. fittings. Tender docs. must be obtained from below address or from Consulting Engineers, Howard Humphreys Ltd., Kennet House, Kings Rd., Reading, Berkshire, RG1 3 BT England, prior to submitting offers. Tender docs. cost JD 50. Bid deadline June 17. Obtain bid docs. from—Dir. Gen., Water Supply Corp., P.O. Box 5012, Amman, Jordan. Refer to Contract 1.

9915199-399—JORDAN—Tenders for conconstruction approx. 10 boreholes in Qadisi well-field. Envisaged that 7 holes will be production boreholes & remainder observation/exploratory holes, however, final no. holes to be drilled will be dependent upon results obtained during early stages of contract. Well-field located approx. 60 km. N.E. Aqaba. Govt. has applied for loans from Arab Fund for Economic & Social Dev. & Saudi Fund for Dev. towards cost of project. Work incl.—drilling & logging production holes to max. depth 400 m to accommodate casing/screen 508 mm min. dia. for 1st 220 m & 273 dia. from 220 m to 400 m depth, drilling & logging observation holes to max. Depth 400 m & to accommodate min. dia. casing of 219 mm to 110 m depth & uncased boreholes of min dia. of 194 mm to 400 m. depth; drilling, coring & logging explora-

tory holes to max. depth 500 m & to accommodate min. dia. casing of 219 mm to depth of 110 m & 102 mm cores from 110 m to 500 m depth; provision & installation casing, wall screen & formation stabilizer & test pumping of production & exploratory boreholes. Tender docs. must be obtained from below address or from Consulting Engineers, Howard Humphreys Ltd., Kennet House, Kings Rd., Reading, Berkshire, RG1 3 BT, England, prior to submitting offers. Tender docs. cost JD. 50. Bid deadline June 17. Obtain bid docs. from—Dir. Gen., Water Supply Corp., P.O. Box 5012, Amman, Jordan. Refer to Contract 2.

Transportation support systems

9916102 — IVORY COAST — Govt. announced plans to build class A intl. airport, capable accommodating wide-bodied jets, on site of existing air base at Bouake, Ivory Coast's 2nd largest city. General plans incl.—extension existing runway to 2400 meters. Construction completely new runway 3,300 meters long, capable accommodating large carriers, & adjacent access paths. Improvement existing runway. Project cost est. $110 million for entire project of which $45 million is for civil engineering & remaining $65 million for equip. Project specs. have yet to be finally determined & detailed proposal being drawn up at present time. Civil aviation officials estimate project specs. will be available sometime between July & Sept. 1978. Firms interested in more detailed info. should address inquiries to—Vassariki Savane, Directeur Gen. De L' Aeronautique Civil, Ministere Des Travaux Publics De Transports, De La Construction Et De L'urbanisme, B.P. V6, Abidjan.

9916202, 3312010, 3357800, 3662320—YUGOSLAVIA—38,000 tons rail fastenings & 650 rail joints, & 100,000 tons rails for 1,000 km tracks; equip. & materials for electrification 250 km rail line at 25 kv incl. 4 substations & 9 track section posts; remote control equip.—40 km 110 kv power transmission line. Partial bids allowed. Tender docs. expected to be available by mid-1978. IBRD participation in financing with loan of $100 million expected. At present bidders invited only to register their interest. Will be informed in writing by investor about date, place & procedure for obtaining tender docs. Reply to—Odeljenje Za Plan I Razvoj, Zajednica Jugoslovsenkih Zeleznica, Nemanjina 6, 11000 Belgrade. Refer to bid no. 190-3/78-9.

Dist. and transmission systems

9917203, 9922201—ALGERIA—Study & engineering of Reggane—Hassi-R'Mel gas pipeline comprising—cutting posts, sectioning posts, & compression stations. To obtain further info or docs. write or send rep. to SONATRACH, Coordination Canalisations, attention Ouameur Ali, at below address prior to submitting offers. Offer to remain valid 6 months past bid deadline. Offer & all corresp. must be in French; all specs metric. Obtain bid docs from—SONATRACH, 10, Rue Du Sahara, Hydra, Algiers. Bid deadline June 29.

9917203—ALGERIA — Construction pipelines for transportation oil refinery & gas products; these pipelines will connect Algiers refinery to integrated centers of Blida, Tizi-Ouzou & Sidi Archine; Arzew (W. Algeria) refinery to integrated centers of Mohamadia, Tlemcen & Saida; El Kroob (E. Algeria) integrated centers to Setif & Batna); Hassi-Messaoud (southern) refinery to integrated center of Tougourt. Offer to remain valid 6 mo. past bid deadline. Offer & all corresp. must be in French, all specs. metric. Tender docs. are free to interested firms. To obtain further info. or docs. U.S. firms should write or send rep. ASAP to SONATRACH, Coordination Canalisations, Attn. Ouameur Ali, 10, Rue Du Sahara, Hydra, Algiers. Telex 52375; tel. 60.66.33. Bid deadline June 28.

9917303—EGYPT—Supply 1 pumping station for irrigation at Shanhor area. Tender docs. must be purchased at below address by payment of L.E. 50, US$71.42, per copy prior to submitting offers. All offers must be submitted to Authority through registered commercial agent from public sector companies or from private sector, must also incl. payment facilities. Obtain bid docs. from—Min. of Irrigation & Land Reclamation, Mechanical & Electrical Authority, 5 Al Gohainy St., Dokki, Cairo. Bid deadline June 8.

Power generating

9918104—INDIA—Supply, supervision & erection of hydrogen gen. electrolyzer plant & equip. of 20 mp/hr. cap. (alternatively 2 x 10 mp/hr. cap.) at 0 degree C & 760 mm of hg. Equip. required for extension unit VI of DVC-Chandrapura thermal power station. Procure tender docs. directly from address below on payment of RS 300 ($36.72) prior to submitting offers. Damodar Valley Corp. (DVC) run on same lines of TVA, primarily managed by Govt. India. DVC is involved in multipurpose activities incl. major facilities for power generation both thermal & hydro in E. India. DVC is one of major sources power supply for states W. Bengal & Bihar. Obtain bid docs. from—Chief Purchase Officer, Damodar Valley Corp., Central Purchase Organization, Bhabani Bhavan, Alipore, Calcutta 7000027, West Bengal, India. Refer to bid no. PE-SPEC-357. Bid deadline June 1.

9918104—INDIA—Tata Consulting Engineers (TCE), acting as engineering consultant for Tata electric companies project to estab. additl. 500 mw thermal power station in Bombay, preparing list of qualified suppliers of equip. & services for this project. Foreign firms interested in receiving various tenders to be issued by TCE on behalf of its clients in next few mos. should register. 1st bid in series expected to be issued April. According to TCE, items likely to be incl. in bids are—steam generating plant & auxiliary equip., steam surface condensers, condensate pumps, circulating water pumps, regenerative feed water heaters & generators, boiler feed pumps, power transformers, circuit breakers, cable & auxiliary switchgear, coal handling equip., ash handling equip., instrumentation & control incl. data acquisition system & boiler feed water treatment plant. Register with—Tata Consulting Engineers, Tata Press Bldg., 414 Vee Savarkar Marg, Prabhadevi, Bombay 400 025. Cable TATACONSEN; telex 011-3371 TATCON.

9918203—ECUADOR—This tender contemplates construction of substation for electricity transmission, Ibarra. Materials & equip. have already been acquired. It is likely that Ecuadorean firm will win contract; however, foreign firms are welcome to participate in tender provided they nominate rep. domiciled in Ecuador. Est. value construction on this project US$500,000. Bid docs. must be obtained at address below for nonreimburseable cost of 2,500 sucres or $US100 prior to submitting offers. Refer to Lic. No. S.I.2, Subestacion Ibarra. Secretaria Gen., Instituto Ecuatoriano De Electrificacion, Av. 6 De Diciembre, No. 2427 y Orellana, Quito. Bid deadline May 29.

Engineering services

9922109 — COLOMBIA — Director, Colombian Nuclear Affairs Institute, announced that $600,000 contract for uranium exploration will be let before end of 1978. Exploration to be done on 70,000 sq. km in northern dept's. of Cordoba & Bolivar by aerial spectrometry. Financing to be provided by UNDP with award of contract by UNDP or Intl. Atomic Energy Agency in Geneva. Interested firms should contact UNDP in New York, IAEA in Geneva or Dr. Ernesto Villareal, Dir., Instituto of Asuntos Nucleares, Ave. El Dorado, Carrera 50, Bogota.

Scrap & waste

9998300—PAKISTAN—Bagomatic rubber bladders (scrap obtained during mfr. tires). Value approx. $50,000. Engaged in importing & indenting milk powder, milk products, chemicals, textile dyes & bagomatic rubber. Imports from Japan, China, Korea, & Hong Kong. Requests c. & f. Karachi quotations against L/C. Claims annual sales of $1.0 million. Employs 10. Reply to—Shaikh Aijaz Ahmed, Proprietor, Ajaz & Co., 19, Madras Bldg., Jodia Bazar, P.O. Box 5315, Karachi. Cable "FIFTYFIFTY" KARACHI; tel. 223250.

Representations

Foreign private firms are interested in agency agreements and/or distributorships for these products.

Broad woven fabric mills, cotton

2211231-33-34-35, 2211450 — BELGIUM — Carded poplins; drills under 42"; all other drills under 42"; 42" but less than 52". Blanketing & other napped fabrics; thermal blanketing; crib blanketing; electric blanket shell fabrics, other blankets; outing flannels; canton flannels; interlining flannels; all other naped fabrics. Privately-owned enterprise, founded 7 years ago, is primarily an agent-importer of first quality thread, yarns &, to lesser extent, finished cloth. Firm has staff of 4, of whom 3 are sales agents. Sales area incl. Belgium, N. France & parts of Germany. Claims annual sales turnover BF 125 million. Reply to— Pierre Vrijdag, Owner, Ets. P. Vrijdag, 8 J. B. Mouroitplein, B-9600 Ronse, Belgium. Tel. (065) 21.51.62.

2211630 — BELGIUM — Corduroys, pinwales, midwales, thicksets, widewales & other. Estab. 1928, is large cotton spinning & weaving mill, employs about 600 & had sales volume over $30,000,000 in 1977. Has spinning capacity of 500 tons/month & sells throughout Common Market. Reply to—Mr. M. Vansteenkiste, Manager, Cleppe-Claerbout N.V., Bissegemsestraat 101, B-8710 Heule, Belgium. Tel. 056/35.24.51; telex 85342.

Yarn, thread mills, products

2283218—BELGIUM—Semi-worsted yarns for carpets—wool. Estab. 1880, has 4

modern well-equipped wool & man-made fiber mills. Produces 6,000 tons finished products yearly. Reply to—Mr. R. Mambourg, Buying Dept., Vesdre-Escaut S.A., Rue Des Goujons 152, B-1070 Brussels. Tel. 02/521.00.40; telex 21240.

Men's, boys' furnishings

2321403-04-18—BAHRAIN—Men's sports & dress shirts, chiefly cotton, & other than cotton. Large wholesaler/retailer of men's furnishings incl. sports, dress, outer & underwear. Seeking contacts with only mfrs. & exclusive exporters of high quality men's sports & dress shirts. Reputable & well estab. Reply to—Abdulwahab Al-Gosaibi, Roma, P.O. Box 423, Govt. Road, Manama, Bahrain. Cable ROMSTO; tel. 54120.

Paper products

2641211-898 — SWEDEN — Fly & bug catching paper & devices. Firm's share capital SKR 11 million; annual turnover SKR 82.4 million. Subsidiary of Kema Nobel AB, which is parent co. of leading chemical firm in Sweden. Mfrs. & markets various toilet preparations & chemical consumer products. Well-estab., has good business reputation and, according to local credit sources, financially sound & has met payments promptly. Recommended trade contact. Reply to—Gunnar Rydevik, Barnangen AB, Box 12080, S-102 20 Stockholm. Telex 10628 VAD CM S; tel. 08/25 25 00.

Industrial chemicals

2812241—THAILAND—Soda ash. Requirement—14,400 tons/yr. or 1,200 tons/mo. First shipment before Aug. 78. Composition—NA 2 CO3 not less than 97 percent, SE 2 03 less than 0.06 percent, insol. mat., in water less than 1 percent, moisture less than 10 percent; heavy kind. 1 kilo sample needed. Reply to—Suthep Wanglee, Mng. Dir., Visudhi Pharnich Co., Ltd., 659 New Road, Samyek, Bangkok. Cable VISUD; tel. 2232921.

Drugs

2833100 — FRANCE — Phenylsalicylique acid. Estab. 1961. Employs 8. Importer of chemical products. Annual sales vol.—$11 million. Bank ref.—Credit Lyonnais, Trade Development Bank, 75001 Paris. Good reputation. Reply to—Mr. Berrebi, Gen. Mgr., Patrex S.A., 22 Rue Saint-Martin, 75004 Paris. Telex 230 078F; tel. 277-6157.

Gum, wood chemicals

2869598—BELGIUM—Mono ethylene glycol. Subsidiary of Century Oils Group Ltd., largest mfr. of lubricants in U.K. Subsidiary, estab. 1976, has mfg. base in Belgium employing 60. Reply to Gerard Chrispin, Mng. Dir., A.P. Oil Europe S.A., Rue De La Cruchenere 18, B-5865 Walhain-Saint-Paul, Belgium. Tel. 010/65.72.16; telex 593226.

Chemical products

2891000, 3079000—SWITZERLAND—Industrial products or raw materials for industry with repeat sales, requiring no service. Old-estab. medium-size trading co. Owner & Pres., Robert F. Strubin, enjoys good reputation & maintains interests in a number of companies. Bank ref.—Cial, Marktplatz, 4000 Basel, or Sarasin & Co., 4000 Basel, Switzerland. Sales territory—Switzerland, possibly W. Germany. Reply to—R. F. Strubin, Pres., Strubin & Co., P.O. Box 2111, 4001 Basel. Cable STRUCO BASEL; telex 62941; tel. 061/22 66 00.

2891990 — SWITZERLAND — Radioactive sheets "Americanium" for ionization chambers. Product will be used for mfg. smoke detectors. Est. sales potential $100,000. Market territory Switzerland & W. Germany. Well-estab. management consultants. Total labor force 11 with 5 salesmen. Represents Transparent Shade, Los Angeles. Well-ordered financial situation. Business recommended. Reply to—Hans J. Siegwart, Partner, Mangold, Siegwart Consulting Co. AG, CH-6362 Fuerigen NW, Switzerland. Cable MSC FUERIGEN; telex 25630; tel. 041/61 51 51.

Fabricated rubber products

3069315—ECUADOR—Sponge rubber car door & trunk weather stripping. Send literature & quote c.&f. Guayaquil. Reply to—Telmo Orquera, Pres., Vidrieria Mundial Cia Ltda., P.O. 79/5081, Guayaquil. Cable TELQUERA; tel. 5-19431.

Plastic products

3079031-61-71-81—CANADA—Direct sale/resale & distrib. opportunity for protective coatings & treatments for anti-corrosive applications. Seeking addl. products to add to line of water treatment equip. & protective coatings used in boilers, cooling towers & water flood separation systems in oil industry. Reply to—William Gardner, Pres., William J. Gardner & Assoc. Ltd., 402A-53 Ave. S.E., Calgary, Alberta. Telex 038-26525; tel. 403/253-6530.

Glass products

3231633—BOLIVIA—Art & novelty glassware. Quotations c.i.f. Matarani, Peru. New firm, no WTDR available. Reply to—Fermertex Representaciones, Javier Atristain, Casilla 2282, La Paz.

Steel mill products

3312427—BOLIVIA—Rails for railroads—3,000 tons. Quotations c.i.f. Matarani, Peru, urgently needed. Reply to Jercot Srl, Gilvan Marquez R., Casilla 1990, La Paz.

3312965 — WEST GERMANY — Stainless steel, flat bright or bright ground with precision tolerances. Medium-size firm, estab. 1960, 10 employees. Credit rating agency reports good reputation. Reply to—Herr H. Heinicke, Herbert Th. Heinicke, Warnhltzstrasse 2, 2 Hamburg 50, Germany. Tel. 040 384317; telex 02 148 48.

3353113—THAILAND—Aluminum corrugated sheets, size 34 in. wide, 4 meters long, 1/32 in. thick, corrugation 2.3/4 in. by 1 in. Request details & prices. Co. ref. —Union Carbide Corp., 270 Park Ave., New York, N.Y. Reply to—Yoot Eamsa-Ard, Admin. Mgr., Thailand Smelting & Refining Co., Ltd., P.O. Box 2, Phoket, Thailand. Cable THAIREFCO PHUKET; tel. 212344.

3356971 — ECUADOR — Black, smooth, glazed, chrome-beaded zinc automotive fender welts. Send literature & quote c.&f. Guayaquil. Reply to—Telmo Orquera, Pres., Vidrieria Mundial Cia Ltda., P.O. 79/5081, Guayaquil.

Hand tools, hardware

3429653 — BELGIUM — Door hinges for automobiles. Specializes in special metal industrial machine parts for which no after-sales service is necessary. This is 4th year as independent agent; most of firms represented are Spanish. Claims annual sales turnover varies from BF 40 million to 100 million. Believes that if he finds cheap door hinges of right type, can sell from 20,000 to 80,000 units/mo. Sales territory incl. Benelux & Germany. Reply to—Jean-Pierre Ribot, Industrial Representative, Pennestraat 49, B-8900 Ieper, Belgium. Tel. 057/20.44.34.

Heating apparatus, plumbing fixtures

3433710-15-19-20-85—WEST GERMANY—Oil burners & burner units; floor & wall furnaces; gas burner; parts & attachments for oil & gas burners. Prospect, small distrib. of heating equip., wishes expand & add U.S. products. Employs 2 & lists annual sales DM 500,000. Terms of payment upon agreement. Favorably known to Consulate General. Reply to—Kurt Zischkau, Bergweg 5, D-6729 Jockgrim, Germany. Tel. 63422/51408.

SIC Manual Gets Two New Industries

Publication of a 15-page supplement to the Standard Industrial Classification (SIC) Manual 1972 has been announced by the Office of Federal Statistical Policy and Standards in the Department of Commerce. This office has the responsibility for statistical functions formerly assigned to the Office of Management and Budget which issued the 1972 Manual.

The SIC was established as a government publication in 1939. It has been revised and updated periodically, the last time in 1972. The system defines industries in all facets of economic activity.

Two new industries were created in the 1977 supplement. Motor Homes is a new industry (3716) created for self-contained motorized homes. It had been part of the Travel Trailers and Campers industry. The other new industry (6798) is Real Estate Investment Trusts (REIT). It was created to provide a one-for-one relationship to the Enterprise Standard Industrial Classification (ESIC) 1974 which has a separate enterprise category for REIT's. The supplement includes the changes in the ESIC definitions to reflect the two new industries. No change was made in the ESIC structure. Also, the new supplement deletes Industry 4041 and Industry Group 404—Railway Express Service.

The supplement makes corrections in areas crucial to statistical programs. A broader review of the Standard Industrial Classification system is scheduled for completion by 1982.

The 1977 Supplement is available for 90 cents from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (Stock No. 003-005-00176-0).

Metal stampings

3463100-200 — BELGIUM — Aluminum & aluminum-base alloy forgings; nonferrous forgings except aluminum. Very small Belgian firm, founded 1977 with capital of $37,500 & employing 4. Affiliated with Gieterij Vuylsteke N.V., one of largest Belgian foundries & biggest producer in Belgium of castings. Acts as industrial & management consultancy firm & sells primarily brass products on Belgian market. Reply to—G. Rabaut, Mgr., N. V. Incoman, Lieven Delaruyestraat 56, B-9219 Gent, Belgium. Tel. 091/30.39.75; telex 12262.

Fabricated metal products

3496998—SWITZERLAND—Wire baskets, kitchenware, florists' designs. Est. annual potential $20,000. Prosperous, medium-size mfr. of plastic housewares, giftware, advertising specialties, & florists' & gardening supplies. Incl. subsidiaries, total labor force is 300 with 60 salesmen. Annual sales top SF 30 million. Good business & payment practices. Business recommended. Reply to—Mr. R. Hug, Dir. Sales, Plastic AG Bad Ragaz, CH-7310 Bad Ragaz, Switzerland. Cable PLASTRAGAZ; tel. 085 9 14 33; telex 74251.

Special industrial machinery

3559589—BOLIVIA—Equip. & machinery to reclaim used motor oil. Reply to—Auto-Delta, Antonio Dabura, Casilla 559, Cochabamba, Bolivia. Telex BX 5900.

General industrial machinery

3563115-16-32-33-35 — SWITZERLAND — Air compressors, stationary, 16 to 100 hp & 101—250 hp; air compressors, portable, 75-150 c.f.m.; 151-400 c.f.m.; over 400 c.f.m. Est. annual potential $200,000. Market territory Switzerland. Well-estab. building contractor & distrib. of construction machinery. Employs 40, founded 1953. Seeking exclusive distrib. for U.S. construction compressors, to be sold in Switzerland. Business recommended. Reply to —Alois Koch, Owner, Industriestrasse 15, 9050 Appenzell, Switzerland. Tel. 071/87 17 53.

3568396 — SWITZERLAND — Outboard gear drives. Est. annual potential $50,000. Market territory Swiss border of Lake Constance. Well-estab. distrib. of camping trailers, mobile homes & boats on Lake Constance. Already represents Starcraft Co., College Ave., Goshen, Ind. 46526. Provides adequate overhaul & post-sales service. Annual sales 4 million francs. Labor force 12. Good business & payment practices. Business recommended. Reply to —J. Hausammann, Dir., Hausammann AG Wohnwagen Und Boote, CH-8592 Uttwil, Switzerland. Tel. 071/63 38 22; Telex 71569.

3569125—WEST GERMANY—Packaging machines for packaging wire nails in holding strips as used in nailing machines. Small firm of industrial reps, founded 1968. Credit rating agency reports good reputation. Reply to—Herr Frank Gottmann, Frank Gottmann Verpackungstechnik, Denkmals Weg 6, 2090 Winsen (Lune), Germany. Tel. 04171/3268.

Electrical industrial apparatus

3629241-5 — BELGIUM — Semiconductor high-voltage power supplies 100 kw. & below, & also above 100 kw. Estab. 1905, has capital of $8,250,000. Employs about 450 & had annual sales volume in 1977 of $20,000,000. Co. sells primarily in Belgium to export-oriented industries, e.g., glass industry. Reply to—Mr. E. Timperman, Off. Dir., Bureau Technique International, Avenue Reine Astrid 1, B-1430 Wauthier-Braine, Belgium. Tel. 02/366.99.75.

3629398, 3825100 — SWEDEN — Portable high tension DC voltage tester for 50 kv, 100 kv & 200 kv. Estab. 1956, has annual turnover SKR 6 million & 20 employees. Specializes in grounding & high tension equip., & wants to expand line of products. According to local credit sources, financially sound, well-estab. & has met business obligations promptly. Reply to—Anders Stalskog, Ingenjorsfirman Ragnar Stalskog AB Fack, S-194 01 Uplands Tasby, Sweden. Cable STALTOOLS; tel. 0760/860 35.

Household appliances

3631171 — SWITZERLAND — Microwave ovens, household type. Nauer is head of Household Appliances Div. of Koenig Apparate AG, a leading & highly reputable Swiss mfr. of electric appliances. Seeks line of imported free-standing microwave grills for household use to fill out existing lines. Requests replies from U.S. firms to meet expected competitive bids from third-country suppliers. Est. value of first-year sales in excess $500,000. Reply to—Willy A. Nauer, Mng. Dir., Burgfelderstrasse 36, 4012 Basel, Switzerland. Tel. 061/76 81 81.

3634100—WEST GERMANY—All kinds of electric ventilating fans (household). Prospect, medium-sized mfr. & distrib. of heating & air-conditioning systems, interested in getting offers for same & similar products. Employs 50 & lists annual sales volume DM 2.5 million. Terms of payment upon agreement. Corresp. German. Favorably known to Consulate General. Reply to—Alfred Beck, Maschinenbau GmbH, Fluegelstr. 21, D-7921 Gerstetten-Heuchlingen, Germany. Tel. 7324/2724.

3634396—SWEDEN—Home & other humidifiers. Specializes in air treatment equip. Started as sub-agent. Now looking for excl. Swedish agencies. Visited U.S. March 1977 & as a result signed agreements with several U.S. firms. Estab. 1971. Employs 8 & reports annual sales equivalent to $870,000. Reliable local credit source describes Eriksson as diligent, energetic, & capable. Business progressive. Financial position sound. Payment always met promptly & source recommends business relations. Reply to—Arne Eriksson, Mng. Dir., Domina AB, Kopmansgatan 15, S-571 00 Nassjo, Sweden. Telephone 0380/741 00.

Communications equipment

3662626 — FRANCE — Ultrasonic equip. used for deratization. Very small limited liability co. created 1975. Employs 3. Imports & distributes in S. France all kinds of gadgets imported from Japan. Now interested in agency/distrib. agreement for new-to-market ultrasonic equip. used for deratization. Bank ref.—Credit Lyonnais, Rue Dantibes, 06400 Cannes. Good credit appraisal. Good overall reputation. Reply to—Maurice Kourchia, Dir., Ets. Kourchia, Sarl, 115, Blvd. Carnot, 06110 Le Cannet, France. Phone (93) 39 20 08.

Measuring & controlling instruments

3824376—SINGAPORE—Electronic taximeters. Large & well-estab. firm in Singapore, engages in production of industrial fans, furnaces & compressors & marketing of wide range electrical & electronic equip. & industrial supplies on agency basis. Its Communication Div. seeking agency/distributorship from U.S. companies for electronic taximeters. Bank ref.—Bank of America, Shaw Centre Branch, Scotts Road, Singapore 9. Reply to—Peter P. H. Ang, Mgr. Comm. Div., Mechanical & Combustion Engrg. Co. Pte. Ltd., 5/9 Jalan Kilang Barat, Singapore 3. Cable MECOMB, SINGAPORE; telex RS 23178; tel. 271581.

3825214 - 23 - 67 - 91 - 93 - 94, 3829254—FRANCE—Electronic frequency meters; electronic field, strength & industry measuring equip.; electronic impedance & related measuring equip.; standing wave measuring equip.; oscillographs; electronic multimeters; electronic physical properties & inspection equip. Estab. 1896. Mfr. & distrib. of electric measuring instruments & process control instruments. Employs 4,500 & 15 salesmen. Bank ref.—Credit Commercial De France, 62 Rue Saint Placide, 75006 Paris & Societe Generale, 11 Ave. Des Gobelins, 75013 Paris. Would consider licensing arrangements. Reply to —Mr. Deltreil, Commercial Mgr., Association Des Overiers En Instruments De Precision, 83-85 Blvd. V. Auriol, 75013 Paris. Telex 204771; tel. 584 15 40.

3832101-3, 3823080 — SWITZERLAND — Ion selective analytical measuring instruments for pollution control applications for oxydant paraments such as ph, do, chlorine, ozone, etc. Automatic analyzers for use within sewage treatment stations for toc, tod, orthophosphate heavy metals & similar polluting industrial type parameters. Co. has been recently estab. for purpose of importing & selling advanced analytical pollution control instruments. Of interest are portable & laboratory type instruments as well as systems for permanent installation. Bank ref.—Pener Kantonalbank, 3001 Bern. Reply to—EE Elementar Energie AG, AM Sandbuehl 40, 3122 Kehrsata, Switzerland. Tel. 031/54 30 17.

3832128 — NETHERLANDS — Analytical instruments, incl. chnos, particle analyzers, osmometers, amino acid, & protein analyzers. Medium-sized importer & distrib. of lab. & scientific instruments, process control instruments, optical instruments & serums & decoagulants. Estab. 1879, employs 26 & represents 17 foreign firms, incl. 4 U.S. Annual sales amount to approx. DFL. 4,800,000. Recent report recommends firm as suitable trading partner. Financial ref. — Algemene Bank Nederland, B. V., Spuistraat, Amsterdam; trade ref.—Merz & Dade, Miami, Fla. Exclusive distrib. for Netherlands & Belgium. Reply to— A. V. D. Meent, Vice Pres., Salm & Kipp Verenigde Instrumenthandel, B. V. Merwedeweg 5, P.O. Box 55, Bruekelen, Netherlands. Tel. 03462-2814; telex 47531.

Toys, amusement, sporting goods

3942007-4238-4267-4287 — WEST GERMANY—Low-priced toys, i.e., rubber & plastic dolls, animals, etc., "Match Box" type cars, etc. Estab. 1960; sells through 70 traveling salesmen to supermarkets, food chains, cash & carry & all leading dept. stores. Distrib. of confectionery with distribution outlets in W. Berlin, Hamburg, Krefeld, Frankfurt, Stuttgart &

Munich. Annual sales about DM 50 million. Financial refs.—Deutsche Bank AG, & Commerzbank AG, both in Krefeld. Reply to—Herr Klaus Wiemann, Erwee—Importe, Diessemerbruch 174, 4150 Krefeld, Germany. Cable 5920 WIEMANN 3-15-78.

3944238—SWEDEN—Large die cast toy cars. Estab. 1969, but was dormant until Dec. 1977. Share capital of SKR 5,000 ($1 = SKR 4.60), & est. turnover of SKR 1 million. Employs 4 & is agent, importer & distrib. primarily of toys in Sweden. According to local credit sources, co. has met business obligations satisfactorily. Reply to—Bjorrn Sandefeldt, Mng. Dir., Edu Production AB, Lundagatan 10B, S-171 63 Solna, Sweden. Telex 10625 SERVO S; tel. 08/83 68 00.

Manufacturing industries

3996013—BAHRAIN—Vinyl floor tiles. Small firm undertaking interior decoration contracts incl. acoustical ceiling tiles, wall coverings and floor tiles. Expanding to become importer/agent/retailer of ceiling, wall & floor products as well as household furniture. Seeking contacts with U.S. mfrs. & exclusive exporters. Established & progressing successfully. Reply to—Khxil Al-Baharna, Europah Emkor Ltd., P.O. Box 584, Manama, Bahrain. Telex 8273 INTCOR GJ; tel. 40032.

Insurance

6411000—SAUDI ARABIA—Wishes to act as agent of U.S. insurance companies for general insurance in Saudi Arabia. Contact—Rashid Gill, Mgr., Mukhtar Banaja Est., P.O. Box 7, Jidda. Cable TALIAF; tel. 21166.

Special product groups

9950024 — EGYPT — Houseware & home decoration products sought for distrib. Seeks catalogs & price lists f.o.b. & c.i.f. Jidda & Alexandria. Contact—Ibrahim A. Aziz, Middle East Services, 14B, Taha Hussain St., Zamalek, Cairo. Tel. 800643.

9950024—EGYPT—Seeks catalogs & price lists c.i.f. Alexandria of housewares & house decoration products. Gommaa is owner of factory which makes aluminum window & door frames. Reply to—Mostafa Basioni Gommaa, Marketing Center, 35, Mohammad Mazhar St., Zamalek, Cairo. Telex 92505 ZAMALEK UN ATT BASIONI; tel. 815742.

Visiting Buyers & Officials

BELGIUM—Manager of Brussels firm that specializes in free distribution to newlyweds and new mothers of **gift packages with product samples,** will be visiting U.S. in early July and wishes to meet U.S. firms with similar activities and purchase suitable products. For additional information contact Jane Puse, 202-377-3265.

BELGIUM—Construction industry representatives plan to attend the Building and Construction Exposition and Conference in Chicago, Oct. 16-18. They wish to determine what interest exists among U.S. firms and organizations for participation in the **construction of low-cost single-family housing units** in Belgium. They will explore the possibility of using all kinds of construction materials but are especially checking steel. The representatives wish to meet firms before, after or during the conference to discuss plans. For additional information contact Jane Puse, Project Officer, U.S. Department of Commerce, Foreign Buyer Program, Room 2322, Washington, D.C. 20230, 202-377-3265.

INDIA—Firm wishes to contact U.S. manufacturers of **pipe cutting machines** suitable for cutting cast iron water pipes for following sizes: a) 12″ to 24″, b) 27″ to 30″, c) 30″ to 36″, d) 40″ to 50″. Interested firms may contact Narendra Patel, Director, Aeicorp Private Ltd., 10 Lall Bazar St., Calcutta, telex: 021-7883 SPARES CO; cable: EAGERNESS; tel.: 23-5120/23-0879.

WEST GERMANY—Rudolf Kurz of Stuttgart is planning to be in the U.S. in June. He wants to meet with manufacturers of **camping articles, garden and outdoor furniture, folding living-room furniture, rucksacks, leisure furniture and other sporting goods.** For further information contact Theresa E. Rettig, Foreign Buyer Program, Project Officer, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230, 202-377-3265.

COLOMBIA—Jaime Ramierez of Bogota wishes to purchase **used graphic arts equipment.** His firm presently deals with photocopying equipment including heliographs and also produces sensitized paper for graphic arts. Contact Theresa E. Rettig, 202-377-3265.

LIBYA—Tripoli firm wishes to contact manufacturers of **major electrical appliances.** A representative will be visiting Los Angeles, Chicago, New York and Dayton in early May. Contact Jane Puse, 202-377-3265.

SWEDEN—Stockholm firm is interested in finding suppliers of: A) **ultrasonic beam, which temporarily immobilizes a person;** B) **advanced products for police and customs officers.** Firm is small well-established importer/agent of specific products such as electronic/chemical breath analyzers, used by law enforcement agencies. Representative will visit New York, San Francisco, and Los Angeles late April-early May. For additional information contact Jane Puse, 202-377-3265.

AUSTRALIA—Health product firm wishes to contact suppliers of **carob or locust beans and allied products** in the health food industry. Parent firm has sales of $12 million annually. A representative is planning a trip to the U.S. late this year. Contact Jane Puse, 202-377-3265.

AUSTRALIA—Sydney firm wants to contact suppliers of **fiberglass pultrusions** suitable for extension ladder manufacturing and also obtain technical knowledge associated with the assembly and testing of pultruded extension ladders. Firm is one of the leading Australian public companies and operates six factories in the main cities of Australia. Firm officials will arrive in New York May 27; schedule is flexible for one week before returning home. Contact Jane Puse, 202-377-3265.

ISRAEL—Zeev Schneidman of Tel Aviv will be in the U.S. in June looking for the following **"young look" clothing:** higher quality men's suits, jackets, trousers, shirts, socks, boots, shoes, raincoats, belts, sportswear, swim trunks; women's dresses, blouses, coats, stockings, lingeries, swim apparel. Theresa E. Rettig, 202-377-3265.

JAPAN—Yoriko Ohashi of Fukuoka is interested in meeting wholesalers of **towels, toilet articles, lingerie and lounge wear.** The towels and toilet articles should be of high quality, original and creative in design and not presently marketed in Japan. She plans to be in the Los Angeles area toward the end of April. For further information contact Theresa Rettig, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230; 202-377-3265.

JAPAN—Kichitaro Ijiri of Osaka is visiting the U.S. with two buyers interested in

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poultry farm equipment and canned meats. For further information contact Theresa E. Rettig, 202-377-3265.

ECUADOR—Government official wishes to contact manufacturers of **electric railway systems.** He plans to be in the San Francisco area April 20-June 29. For additional information contact Jane Puse, Room 2322, U.S. Department of Commerce, Washington, D.C. 20230; telephone 202-377-3265.

UNITED KINGDOM—Basil Sellwood of London will be visiting New York in May. He is interested in locating U.S. suppliers of flannel-backed soft-textured vinyl **tablecloths** and suppliers of same type of fabric either printed or plain from which tablecloths could be made up in U.S. He is also interested in **printed textiles** from which to make up his own coordinated ranges. For additional information contact Theresa E. Rettig, 202-377-3265.

UNITED KINGDOM—Mr. Schneider operates as a residual stock buyer specializing in **men's and boys' wear** including rainwear, swimwear, underwear, sleepwear and hosiery. He will be arriving in California the end of May and wants to meet manufacturers with surplus stocks for disposal, end of ranges, overmakes, frustrated orders, etc. For additional information contact Theresa Rettig, Foreign Buyer Program, 202-377-3265.

AUSTRALIA—Hospital official wishes to contact U.S. manufacturers of **hospital operating theater equipment and hospital sterilizing equipment.** He will be visiting San Francisco, Chicago, Erie, Pa., and Washington, D.C. for approximately two weeks in May. The hospital he represents has 800 beds and 3,500 employees, is a teaching hospital for local University and is world renowned for its renal transplant unit and immunology research. Planned operating theater will involve expenditure in excess of $1.5 million on new equipment. Interested U.S. manufacturers can contact buyer direct via telex. For additional information contact Jane Puse, U.S. Department of Commerce, Foreign Buyer Program, Room 2322, Washington, D.C. 20230, 202-377-3265.

UNITED KINGDOM—A. J. Burrington-Browne and Carl Dawson of London will be in the United States at the end of April seeking **top-end fabric/wallpaper collections.** Their firm does interior decorating and retailing of furniture, lighting, wallpaper and fabrics, and wholesales ceramic tiles and hand-printed wallpapers. For additional information contact Theresa E. Rettig, Foreign Buyer Program, U.S. Department of Commerce, Room 2322, Washington, D.C. 20230, 202-377-3265.

Future Construction Abroad

GERMANY—Berliner Penta Hotelgesellschaft Bubis & Co. announced plans to construct a 384-room, 750-bed **hotel** in the heart of West Berlin. Cost estimated at approx. $25 million. Construction will begin June 1, 1978. Building contractor is a Frankfurt financier, Ignatz Bubis, specialist in hotel financing and construction. In Berlin, Herr Bubis, who is personally liable partner for project, will manage financing and construction of "Berlin Penta." Management of the new middle-price-range hotel will be multinational Penta Hotel chain. Penta group is 33.5 percent-owned by Lufthansa Commercial Holding GmbH of Cologne. Other partners include British Airways, Swissair and several banks. Penta Hotel complex will include seven-story hotel building with two additional wings around courtyard. Plans call for garden and swimming pool in courtyard. Fully air-conditioned and sound-proofed. Every room will include bath, telephone, wake-up system and color television. To be equipped with swimming pool, sauna, mini-gym, underground parking garage, conference room, bar and restaurant with seating capacity for 250. There are opportunities to furnish building materials, sound-proofing equipment, room and restaurant furnishings, restaurant equipment, air-conditioning units and many other items. Contact Dr. Stober (Local Project Director), Berliner Penta Hotel Ges., Mommsenstrasse 71, D-1000 Berlin 12, tel. (030) 882-13-20. Herr Dr. Guenther Berendt, Lufthansa Commercial Holding GmbH, Von Gablerstrasse 2-6, D-5000 Cologne, tel. (303) 826-22-42.

The Overseas Private Investment Corp. (OPIC) offers political risk insurance on assets and bank guaranties to U.S. construction and service firms planning to submit bids on projects in certain developing countries, identified by the "OPIC" notation at the end of some items. For further information on OPIC's contract insurance programs, write Construction Insurance Officer, Overseas Private Investment Corp., Washington, D.C. 20527. Tel: 202-632-7825.

GERMANY—West Berlin's Free University has announced plans to construct a **sports center** in West Berlin. Construction of the $20.5 million facility scheduled to begin in the spring of 1979. The sports center will include a research institute for training of 50 teachers and 800 students, a gymnasium 148 by 89 ft., 3 swimming pools, 8 indoor tennis courts, and a large number of training facilities for various kinds of sports. The new sports center is to be used as a university institute and as public recreational resort. Contact Herr Direktor Lehmkohl, Referatsleiter der Baudurchfuehrungagruppe, Schwendener Strasse 17, D-1000 Berlin 33, Germany, tel. (030) 867-43-65.

BELGIUM—The Administration of Mines plans to undertake a major **gas exploration program** in 1979 that will include drilling a test hole of 6,000 meters in the Famenne region adjoining Focant and a seismic survey of the Focant area. Firms specializing in sophisticated seismic and testing gear contact A. Delmer, Inspecteur-General, Service Geologique, Administration des Mines, 13 rue Jenner, 1040 Brussels.

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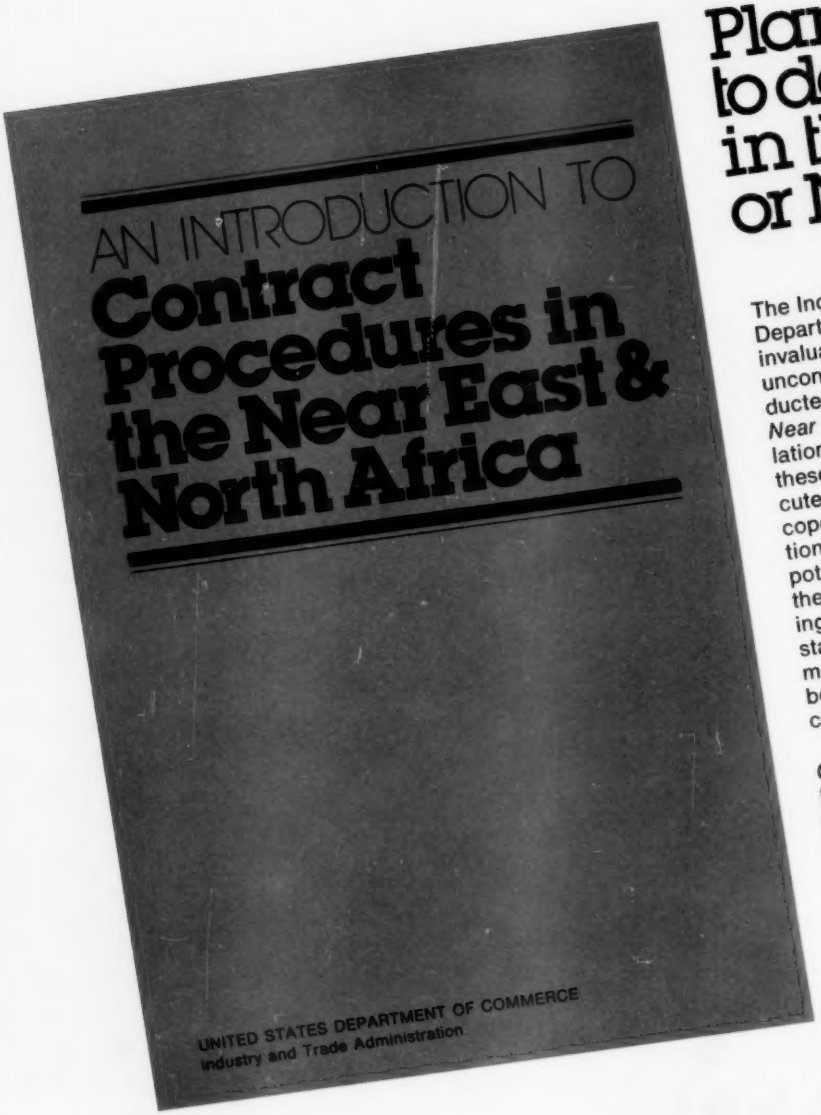
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